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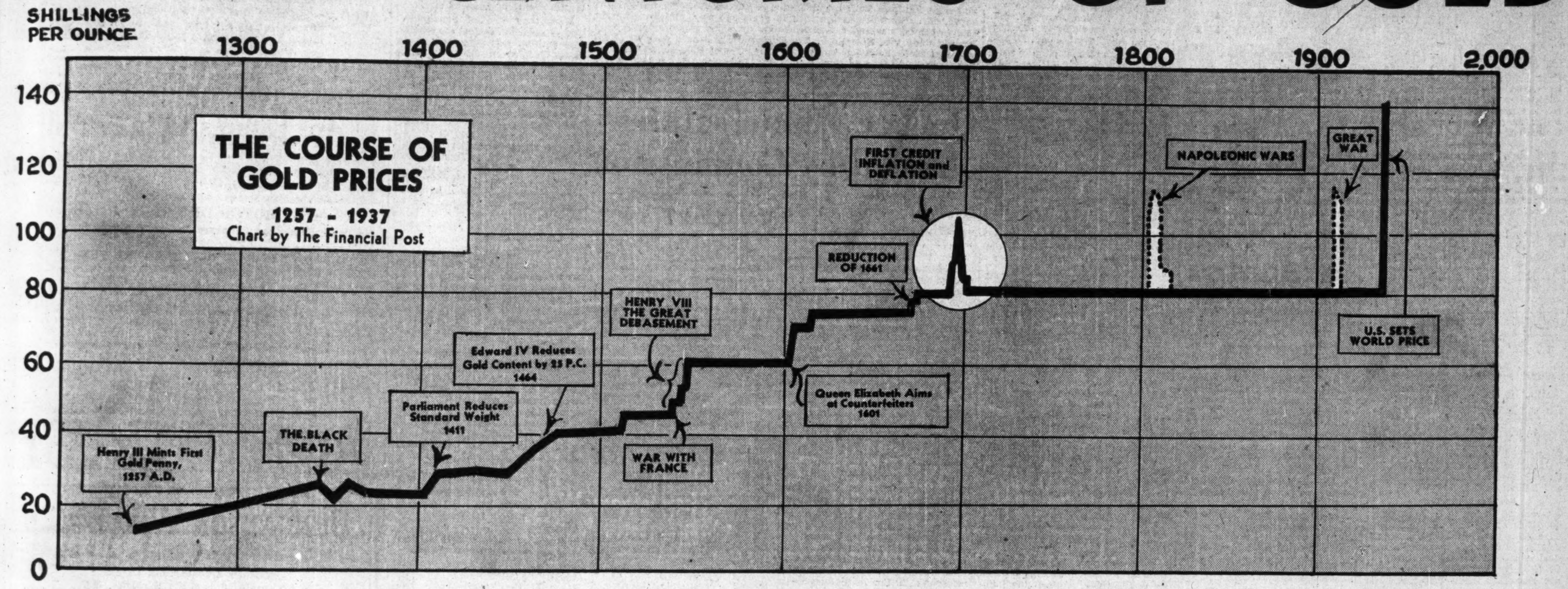
SEVEN CENTURIES OF GOLD



THE COURSE OF GOLD PRICES

1257 - 1937

Chart by The Financial Post

Steady Climb of Gold Prices Since 1257 Twice Interrupted by Government Action—Will 1930's Provide Second Major Break in 680-Year Trend of Increases?—Precedent Found for Present Situation

By C. W. STOLLERY

"Since gold was discovered it has never gone down in price."

The speaker was Jules S. Bache, president of Dome Mines Ltd., addressing shareholders at the annual meeting not long ago.

That Mr. Bache was correct as regards the long-term trend but that he overlooked a few temporary downswings in price are both evident from a glance at the chart of the London mint price of gold for a period of nearly 700 years.

The record clearly shows that the long term trend has been steadily toward increasing the price of gold. It also shows that the recent increase in the price was the largest in history, at least in the recorded history of the pound sterling, which has been one of the world's most stable currencies for more than 1,000 years.

There were large but temporary increases and decreases in the price of gold in such times of depreciated currencies as the Napoleonic Wars and the Great War. These can be ruled out from the long range point of view as being due to passing influences on the money record. They represented instability in currencies rather than a change in the price of gold. But it may be noted that the price of gold did go down after the periods of financial stringency caused by war had ended.

When Gold Went Down

The record of London gold prices shows that there were two occasions when gold was put down in price under official auspices in addition to the two periods when the pound sterling departed from gold.

One of them was the reduction effected in 1344 under King Edward III. That decline in the price may not mean a great deal because gold was not in general use, and there was no international credit system based on gold, 600 years ago. The record of the times also shows that Edward was only experimenting on a comparatively minor scale, and without accomplishing very much.

The second period in which the price of gold went down in London occurred between the years 1695 and 1717, circled in the illustration on this page.

This period is worthy of analysis at the present time.

There are some noteworthy similarities in the course of events at that time to those of the present. And the record of those far-off times is, therefore, of more than passing interest to those who are considering the whys and wherefores of the current discussions about the gold price.

The rise and fall of gold at the English mint in the 1690's was related to the founding of the Bank of England in 1694. Having been granted a Royal Charter, one of the bank's first duties was to lend generously to the Government of King William III, who had been spending a lot of money, especially on the army. The effect was a sort of credit inflation combined with feverish stock market gambling and company promotions. So history does repeat itself.

Parliamentary Action

Among the striking events of the day was a rise in the value of the gold guinea, which carried the price of gold in the open market to a high point of 109 shillings an ounce. In his remarkable history, "The Pound Sterling," A. E. Feavearyear comments that eventually refusal of excise offices to accept gold guineas at the new high price seems to have prevented a further rise. Parliament then set a maximum price of approximately 105.2 shillings an ounce for gold in March, 1696, coupled with a decrease to 89 shillings in April.

There would be a present parallel if Washington, which now sets the world's price, were to refuse to pay $35 an ounce for gold.

The reduction in price in 1696 still left the mint price of gold about 7½% above the level established in 1663. That does not seem a very large increase when compared with the advance of nearly 70% in the price of gold established in the United States in 1933 and 1934. Yet there is a parallel in the consequences of the increase of the gold price in England over 200 years ago and the results of the recent American advance in gold.

A comparison can be made.

In the last six months, the United States treasury has had an inflow of no less than a billion dollars in gold. Since 1934 the American stock of gold has risen from some $7 billions to approximately $12 billions.

How does this compare with what happened in the 1600's when Britain raised the price of gold?

In 1695, the English mint had an inflow of gold that resulted in coining of £750,000 of the metal, compared with only £65,000 in 1694. In 1697 there were complaints that gold was being imported excessively. In 1698 it was suggested that the mint price of gold should be reduced.

In 1699 Parliament again reduced the value of gold, this time to approximately 87 shillings an ounce. That diminished the inflow of metal for a time, but in 1701 there was a record import of £1¼ million. The downward price trend was interrupted by war between 1702 and 1713, and then the inflow of gold recommenced in still larger quantities. So the price was reduced in 1717 to 84s. 11½d., at which level it has remained with only temporary changes until the recent increase in the price by the United States. At present, the open market price in London is around 140 shillings an ounce.

There is precedent, even though it may be out of date, for reduction in the price of gold.

An incidental phase of the reduction in the price of gold those 200 years and more ago was that there was an accompanying decline in stock market prices and a reduction in commodity prices. But events seem to indicate that the fall of prices was a natural result of the preceding speculative spree rather than from reduction in the gold price.

Debt Paying Fallacy

An idea that has gained some followers recently is that the price of gold must be increased even further to allow the world to pay its debts. It seems to be a half truth, stretched a bit in the telling.

The part truth in the notion that higher priced gold makes it easier to pay debts seems to lie in the possibility of higher commodity prices. Professor E. W. Kemmerer, of Princeton University, is one of the foremost protagonists of the view that the rise in the price of gold ultimately will increase other prices and bring a sharp increase in the cost of living. Other eminent authorities agree with him.

Of course, there is no doubt that if the price of wheat, for instance, is doubled the farmer's income is increased and he is better able to pay what he owes. But if our farmer also receives part of his income in the form of a fixed pension and has to pay higher prices for clothing and other needs, he may only get a partial benefit from higher commodity prices. And the man who lives entirely on a pension would have nothing to gain and everything to lose if costs of living continued to rise.

The idea that individual debts or government debt must be settled sooner or later in hard gold seems fantastic. In the United States, it is illegal to hoard gold even to pay debts. And the United States Government has decreed that debts payable in gold are not to be paid in metal at all. The Supreme Court has put its stamp of approval on that prohibition.

The very fact that most of us have to be satisfied with paper money, and that people pay debts and carry on business month after month without ever seeing a gold coin, suggests that the notion of necessity of valuing gold at a figure high enough to enable alll debts to be paid off in gold is fallacious.

While the immediate question of the price of gold is of particular interest to shareholders in the gold mines, whether in Canada, South Africa or Australia, the larger problem of the relation of gold to money and credit is of importance to nearly everyone.

There is a series of questions within the gold conundrum. For example:

1.—Does the world need gold at all for purposes of money and banking?

2.—If gold is essential, how much is needed; is there too much or too little?

3.—Can the price of gold be manipulated so as to regulate its effects, if any, upon business and prices?

The idea that the world may not need gold at all seems unorthodox to many people. Yet it is not a new notion and was expounded over 30 years ago, for instance, by a German economic analyst, G. F. Knapp. He pointed out that a currency system can operate satisfactorily without metal at all; that it is only occasionally true that a country must pay its debts in metal; and that the chief reason for using such metals as gold at all should be to keep such money as the pound sterling at an even level in relation to another money unit, such as the dollar.

Similar ideas have become widely accepted by modern economists. Sir Basil Blackett, prominent British banker, says:

"The idea that you keep gold for the purpose of making the internal currency of any country convertible is one that ought to be exploded right away . . . The amount of gold that a central bank requires, if we would persuade public opinion to see the truth, is the amount that will make it perfectly safe for meeting an external balance of payments against it at any given moment."

Shortage or Glut?

It may be accepted, then, that one of the chief reasons, perhaps the only satisfactory reason, that gold should be hoarded by governments and central banks is for purposes of international payments.

How much gold is needed for that purpose?

Studies of the use of gold over the past 60 years have been made by various authorities who have suggested that an annual increase of about 3% in the amount of metal is needed by the world. A group of economists of the Royal Institute of International Affairs suggested in a study a few years ago that perhaps the price of gold should be raised about 10%. The United States has increased it nearly 70%!

That nobody knows how much gold is needed is the view of many economists, such as R. G. Hawtrey, who comments that we are "completely in the dark so far as statistical guidance is concerned."

There is doubt, then, among leading students of the subject about how much gold the world requires over a long period.

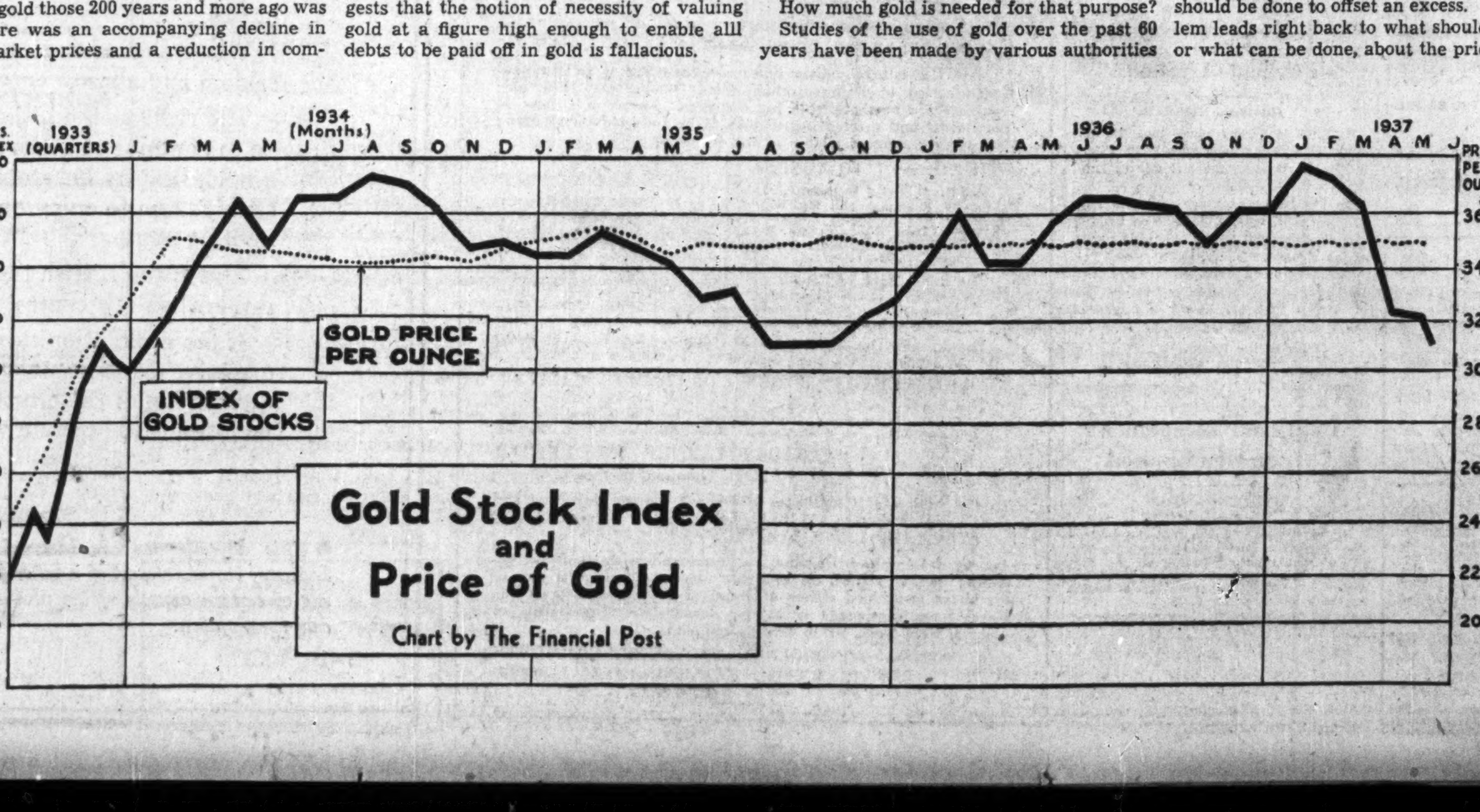
$23 Billions in Gold

However, the 70% increase in the price by the United States has had the same effect as an enormous expansion of the volume of gold. The dollar value of the known gold reserves of the world's banking systems has risen from about $12 billions to approximately $23 billions, over the past three and half years. In addition to the huge increase in value caused by the change in price, the higher quotations for gold throughout the world have resulted in greater production. Also, gold has been coming out of hoarding because of the premium that is being paid.

In the light of these events, economists who doubted whether there would be enough gold a few years ago now believe that the recent increase in money value of the existing supplies has provided a much greater expansion than is necessary.

It appears then that the world needs some gold for purposes of international business dealings; and that the present quantity at the increased price is more than ample.

The problem has been turned around. Whereas a few years ago there were suspicions that the world's money systems might face a shortage of gold, the increase in price of the metal has raised the question of what should be done to offset an excess. The problem leads right back to what should be done, or what can be done, about the price of gold.



Gold Stock Index and Price of Gold

Chart by The Financial Post

Suspicion still lurks in financial markets that all is not entirely well with the price of $35 an ounce.

Last week, for instance, private London cables again suggested uncertainty over the stability of this price.

Financial nervousness over gold in itself is not remarkable because any uncertainty is liable to have such reactions in money and security markets. But there is evidence that there may be something rotten in the state of the gold price. Particularly notable is the movement of enormous quantities of the metal to the United States, which is the major buyer.

The inference drawn from this gold movement is that Uncle Sam is really paying too high a price for gold and a large part of the world is loading its holdings upon him as quickly as possible, just in case he changes his mind about the figure he is willing to pay

On the other hand, public pronouncements from the highest authorities have given lip-assurance that the price of gold is not going to be changed for the present, at least not by the United States. And the view has also been widely circulated by eminent economic and financial authorities that a major reduction in the price of gold under present circumstances might have disastrous consequences, perhaps even leading to another Great Depression

Economic Recovery

There can be no argument against the fact that since gold has been raised to $35 an ounce there has been a rising trend of prices for wheat, wool, cotton and what not, accompanied by economic recovery on a world-wide scale.

Perhaps it has been partly psychological.

Probably it could have occurred without the increase in the price of gold.

Yet the fact remains that $35 gold, in the public mind, is related to the rise of prices and to general improvement in business and incomes. In the words of the chairman of Rand Mines Ltd., John Martin, who is also a director of the Bank of England, "suddenly to reverse the upward movement would be a calamity."

Can the excess value of gold be dealt with by measures less disturbing than a reduction in the price of $35? Mr. Martin thinks it can, and so do others who fear the consequences of a major reduction. The Martin suggestion is that governments could allow the prices of commodities to rise gradually until eventually the present monetary gold could be put to use. And he says that the difficulties of recent years show that larger gold reserves are necessary anyway to guard against heavy international money movements. Finally, he suggests that a levelling of fluetuations in the values of different money units, by adoption of a gold standard, would help solve the gold problem and other economic tangles of today.

There is some argument as to whether the "surplus" of gold in the world is not in reality a bad distribution rather than a genuine surplus. But whether the disease is surplus or maldistribution, there is one remedy which looms above all others as the sovereign cure. That remedy would be an increasing volume of world trade at steadily rising prices.

To get world trade moving again, to stimulate a rise in commodity prices, would not only effect a fairer distribution of the world's gold but it might demand such an enlargement in the world's banking and currency system as to bring into effective use, at present values, all of the world's gold stock plus all that is likely to be produced in the near future.

Short of such a remedy, the nations can provide little more than palliatives for the present situation; palliatives such as the sterilization programme of the United States, co-operation by London and the Dominions in gold-buying—or rationing of output.

Motive Behind C. I. O. Primarily Political Industrialists Fear

Canadian Employers' Opposition on Record of Lewis Efforts to Gain Political Power in U. S. — Collective Warfare, Not Collective Bargaining, Seen as Aim

By GUY S. CUNLIFFE
Staff Writer, The Financial Post.

This is the second of a series of articles based on a Financial Post survey of the views of industrial leaders on various aspects of the labor relations problem. Concerned primarily with the reaction of employers to the organizing drive of the C.I.O. in the United States and Canada, it will be followed next week by an analysis of the attitude of industrialists toward unionism and its status as an instrument of collective bargaining.

Politicians may disagree as to whether the C. I. O. is a menace to order and good government, or the harbinger of a new and better existence for the supposedly downtrodden worker, but there appears to be little if any rift in the dark cloud of disapprobation which hovers over the strongholds of industry.

The antagonism and alarm provoked by the C. I. O. campaign in Canada is sharply revealed by The Financial Post survey of industry's labor views. Industrial leaders do not like the C. I. O. and will resist it as long as they can by all means at their command.

The chief basis of opposition is a conviction that the motives of the C. I. O. movement are primarily political, seeking to achieve a concentration of power of potentially sinister implications for both Canada and the United States. This is supplemented by an aroused objection to the C. I. O. on an economic and industrial basis, to its record of illegal and disorderly methods, to its provocation of class warfare, to its attempted domination of workers and industry alike.

Resistance Stiffens

Objection to the C. I. O. on both counts is at the root of the resistance being shown in all parts of the country to demands that employers deal with their workers through C. I. O. organizations. Companies are revealing themselves prepared to close their plants or get along with a reduced number of employees, rather than give ground before the C. I. O. advance. It is not a question of antipathy to collective bargaining; it is a question of being fastidious about whom you bargain with.

In some quarters, international affiliation of Canadian labor is regarded as unsound regardless of whether the C. I. O. is involved or not. And concern is felt over the competitive drives now being made by the American Federation of Labor to combat the C. I. O. bid for the dominant position in the labor movement of this continent.

In the opinion of the head of a large establishment in Montreal, both the C. I. O. and the American Federation of Labor fall within the scope of the following observation:

"There are many who fear that the leaders of labor unions are using the right to organize and the right to strike to promote political doctrines inimical to the principles of personal liberty and private ownership of property, upon which our present system of government is based. They are seeking, through promises of higher wages, without discrimination between industries paying high or low wages, to organize all employed labor under a central authority which, with the right to organize and the right to strike, recognized by law, will be in a position to dominate industry and, possibly the government of the country."

Political Motives

The political implications of the C. I. O. campaign also disturbed a company executive with interests in several provinces. He says:

"The efforts of the C. I. O. to gain political power, supported by a complacent acquiescence and an entire absence of employer support by the Washington administration, are responsible for the lawless disturbances which have become so widespread in the United States. The influences of the insidious propaganda are being fed to Canadians by the same hands.

"The C. I. O. assault cannot in any sense be considered as a true labor movement. It is political in essence, with Communistic associations, and their attention has been directed toward the best paid workers as dependable sources of income.

Threaten Autonomy

"If this country does not realize the threatened menace and if it is not dealt with adequately by both federal and provincial governments, the results will be most unfortunate from the standpoint of Canadian autonomy. The objective of the C. I. O. is not collective bargaining, but collective warfare—the creation of a class movement ruled by men seeking power and the domination of the industrial worker. Canada should resist to the utmost, in the interest of both labor and capital, which are inherently similar, the attempted control over our very existence with which we are presently threatened."

The distinction drawn between unions within the C. I. O. fold and other types of organizations is outlined in the quotation below, from a lengthy letter on labor relations sent by the chief executive of a large enterprise in central Ontario:

"We differentiate greatly between an independent union formed by the workers of a particular industry, and one affiliated with the C. I. O. We would have serious objections to dealing with C. I. O. representatives."

Legislative Obstacle

One of the possible obstacles to be met by the C. I. O. in Canada is suggested in the following observation by the president of a Quebec firm:

"The collective labor agreement systems of Ontario and Quebec will do considerable to offset the influence of an organization such as the C. I. O., at least temporarily."

By an outstanding company head with interests in more than one section of the country, the C. I. O. is regarded as "largely a racket, using questionable methods to achieve questionable aims, principally that of putting power in the hands of John L. Lewis."

The C. I. O. has given no indication that it offers stability, finality or mutual advantage as a factor in labor relations, in the opinion of an executive whose plant was recently affected by labor trouble. He also believes the C. I. O. to be motivated by a quest for power, and not by interest in the welfare of the workers. The same man is convinced the C. I. O. is closely allied and influenced by the Communists, and that both the United States and Canada face the threat of dictatorships through centralization of mass power.

Paper Firms In Wage Deal

Quebec Newsprint Operators Negotiate on Higher Pay

From Our Own Correspondent

MONTREAL.—Subject to negotiation of details with employees, Consolidated Paper Corp., Price Bros. and Co., Anglo Canadian Pulp and Paper Mills and Lake St. John Power and Paper Co. will make collective labor contracts calling for wage increases estimated to run about $1.2 million annually. The higher rates are slated to be effective from July 2 next to Jan. 14, 1938.

The four companies employ about 5,650 workers and committees representing the mills and the employees have now been discussing the contracts for two weeks. Negotiations have been under the aegis of the Duplessis Government, which is actively sponsoring operation of its new measure respecting collective labor agreements.

Hon. William Tremblay, minister of labor, states that the expected new wage scales "appear to be an appreciable amelioration of wages being paid in the paper manufacturing industry." Consolidated Paper Corp. alone will pay increases amounting to $600,000 in the course of 12 months.

DIVIDEND NOTICES

Canadia Breweries Limited

DIVIDEND NOTICE

Notice is hereby given that a dividend of fifty cents (50c) per share on the Cumulative Sinking Fund Convertible Preference Shares of the company has been declared, payable on the 15th day of July, 1937, to shareholders of record at the close of business on the 30th day of June, 1937.

By Order of the Board,
W. C. BUTLER,
Secretary.

Toronto, Ontario,
June 21, 1937.

Imperial Bank of Canada

DIVIDEND NO. 188

Notice is hereby given that a Dividend of two and one-half per cent (2½%) has been declared for the quarter ending the 31st July, 1937, payable at the Head Office and Branches on and after Monday, the 2nd day of August next, to shareholders of record of 30th June, 1937.

By order of the Board.
H. T. JAFFRAY,
General Manager.

Toronto, 16th June, 1937.

Canadian Wallpaper Manufacturers Limited

NOTICE is hereby given that a dividend of One Dollar ($1.00) per share has been declared on the Class A and Class B shares of the Company, payable on and after July 6th, 1937, to shareholders of record at the close of business on June 29th, 1937.

By Order of the Board,
ARNOLD ASHTON,
Secretary-Treasurer.

Toronto, June 18th, 1937.

84th Quarterly Dividend

NOTICE IS HEREBY GIVEN that a dividend of thirty-eight cents per share (being at the rate of one dollar and fifty cents per annum) on the no-par-value common shares of the Company presently issued and paid up for quarter ending June 30, 1937, has this day been declared to shareholders of record June 30, 1937, on the Montreal and London, England, registers.

Dividend cheques will be mailed to registered shareholders July 31st, 1937.

By Order of the Board,
G. R. WHATLEY,
Secretary.

Montreal, June 21, 1937.

Montreal Light Heat & Power Consolidated

Owned by 50,000 shareholders and debenture holders, Montreal Light Heat & Power has more customer-owners than any other utility company in Canada

DIVIDEND NOTICES

The Consolidated Mining and Smelting Company of Canada, Limited

Dividend No. 64

NOTICE IS HEREBY GIVEN that a Dividend of 50c per share on the paid-up Capital Stock of the Company for the six months ending June 30th, 1937, with a bonus of $1.00 per share, has this day been declared, payable on the 15th day of July, 1937, to Shareholders of record at the close of business on the 30th day of June, 1937.

By Order of the Board.
J. E. RILEY,
Secretary.

Montreal, Que.
June 16th, 1937.

The Toronto Mortgage Company

Quarterly Dividend

NOTICE IS HEREBY GIVEN that a dividend of $1.50 per Share, upon the paid-up Capital Stock of this Company, has been declared for the current Quarter, and that the same will be payable on and after
2nd July, 1937,
to Shareholders of record on the books of the Company at the close of business on 15th instant.

By order of the Board,
WALTER GILLESPIE,
Manager.
3rd June, 1937.

Provincial Paper Limited

Notice is hereby given that Regular Quarterly Dividend of 1¾% on Preferred Stock has been declared by PROVINCIAL PAPER LIMITED, payable July 2nd, 1937, to Shareholders of record as at close of business June 15th, 1937.

W. S. BARBER,
Secretary-Treasurer.

Toronto, Ont.

The Steel Company of Canada, Limited

Preference Dividend No. 104

Notice is hereby given that a dividend of forty-three and three-quarters cents (43¾c) per share on the Preference Shares of the Company has been declared for the quarter ending June 30th, 1937, payable August 2nd, 1937, to shareholders of record at the close of business July 7th, 1937.

By Order of the Board,
H. S. ALEXANDER,
Secretary.
Hamilton, Ontario,
June 8, 1937.

The Steel Company of Canada, Limited

Ordinary Dividend No. 82

Notice is hereby given that a dividend of forty-three and three-quarters cents (43¾c) per share on the Ordinary Shares of the Company has been declared for the quarter ending June 30th, 1937, payable August 2nd, 1937, to shareholders of record at the close of business July 7th, 1937.

By Order of the Board.
H. S. ALEXANDER,
Secretary.
Hamilton, Ontario,
June 8, 1937.

DIVIDEND NOTICES

The Dominion Bank

Notice is hereby given that a Dividend of two and one-half per cent upon the paid-up capital stock of this Institution has been declared for the quarter ending 30th June, 1937, being at the rate of ten per cent per annum, and that the same will be payable at the Head Office of the Bank and its Branches on and after Friday, the 2nd day of July, 1937, to shareholders of record of the 19th June, 1937.

By Order of the Board.
ROBERT RAE,
General Manager.
Toronto, 13th May, 1937.

Model Oils Limited

Notice to Shareholders

The Annual General Meeting of the Shareholders of MODEL OILS LIMITED will be held at the Palliser Hotel, in the City of Calgary, in the Province of Alberta, on Tuesday, July 6th, A.D. 1937, at the hour of 10.30 o'clock in the forenoon, for the purpose of receiving and considering the following:

(a) Report of Directors.
(b) Annual Statement of Accounts, Balance Sheet and Report of Auditor.
(c) Appointment of Auditor.
(d) Election of Directors.
(e) Any other business that may properly be considered at the meeting.

The books of the Company will be closed for transfer purposes from July 2, 1937, to July 6, 1937, both days inclusive.

DATED at Calgary, this 14th day of June, A.D. 1937.

By order of the Board of Directors,
T. W. McKee,
Secretary-Treasurer.

Penmans Limited

Dividend Notice

NOTICE is hereby given that the following Dividends have been declared for the quarter ending the 31st day of July, 1937.

On the Preferred Stock, one and one-half per cent. (1½%), payable on the 2nd day of August to Shareholders of record of the 21st day of July, 1937.

On the Common Stock, seventy-five cents (75c.) per share, payable on the 16th day of August to Shareholders of record of the 5th day of August, 1937.

By Order of the Board.
Montreal, June 14, 1937.
C. B. ROBINSON,
Secretary-Treasurer.

Industrial Acceptance Corporation Limited

DIVIDEND NOTICE

Notice is hereby given that the following Dividends have been declared for the quarterly period ending on the 30th day of June, 1937, payable on the 30th day of June, 1937, to shareholders of record on the 21st day of June, 1937.

On the Cumulative Redeemable Preferred Stock at the rate of 5% per annum.

On the Class "A" Stock at the rate of 37½ cents per share.

By Order of the Board.
J. B. PENNEFATHER,
Secretary-Treasurer.
Montreal, 17th June, 1937.

THREE NEW PARTNERS

Hansons & Macaulay, Montreal Curb Market and Montreal Stock Exchange firm, announces the admission of three new partners, Alfred M. Peters, Philip A. Cumyn and Gordon S. Harrower, shown, left to right, above. Mr. Peters joined the firm 18 years ago as a junior clerk. Mr. Cumyn has been with the firm for seven years and was previously with Wood, Gundy Inc., New York. Mr. Harrower has been a member of the Montreal Stock Exchange since 1929. The firm of Hansons & Macaulay was formed originally by Hanson Bros. Inc., investment dealer firm, which recently celebrated its 53rd anniversary.

Quebec Municipalities Aided by Commission

Methods Used Outlined to Investment Dealers by Chairman

What the Quebec municipal commission has done to prevent defaults since 1933, how defaulted towns have been dealt with and when and what kind of settlement can be expected was outlined by L. E. Potvin, chairman of the commission, to the Investment Dealers' Association at its recent meeting at the Seignory Club, Que.

The commission was started on May 18, 1932, and directed its first efforts toward minimizing defaults on the part of the larger centres. Those municipalities which were already in trouble were placed under the administration of delegates.

The procedure in handling a municipality which had actually defaulted on its obligations was slightly different, Mr. Potvin explained.

Under the Quebec municipal commission act a delegate is appointed to supervise the administration of each defaulted municipality. Uniformity of administration where a number of defaulted municipalities are found in the same district is assured.

Once the administration of a town has balanced its budget, the next step mentioned by Mr. Potvin is to submit a reorganization plan to bondholders for their approval. Such a plan is always voluntary and must be accepted by holders of 60% of the municipality's debt.

The principles followed by the commission in refinancing a municipality are outlined by the commission's chairman as follows:

(1) Existing contracts are maintained.

(2) Funded debt maturities are postponed where no other method would be effective.

(3) Debenture debt may be refunded in cases where this method appears necessary.

(4) Where none of the plans mentioned can be used, some other plan, bringing the least possible sacrifice, is devised.

Mr. Potvin pointed out that earning power of taxpayers in many districts has been seriously reduced by changes in the local industries. This has been particularly noticeable in districts dependent on lumbering or newsprint.

Montreal Tram Enquiry Shortly

From Our Own Correspondent

MONTREAL.—An enquiry into the affairs of Montreal Tramways Co., more particularly the contract between the company and the City of Montreal in 1918, will get under way before the end of the month.

This enquiry, which is sponsored by the Quebec Government, will be handled by a board of 5 or 6 members. No particulars are available as to the personnel, but one report is that Dr. O. Lefebvre, of the Quebec Electricity Commission, will be chairman of the enquiry.

Spotlight on Labor

Winnipeg Findings

Strong suggestion that employers need legislation to protect their interests in labor disputes quite as much as labor insists it requires statutory concessions of the right of workers to organize and engage in collective bargaining, may be taken from the findings of Robert Jacob, K.C., as commissioner appointed by the Manitoba Government to investigate the fur workers' strike in Winnipeg.

Mr. Jacob finds that the fur workers' strike was called to force international union recognition by all firms when only 25% of Winnipeg fur workers had been enrolled in the union.

Eventually, a group of firms by which most of the unionists were employed entered into an agreement with the union. The majority of employers engaged new workers to replace such employees as went on strike, and made a contract with a new union embracing workers whom the international union could not enroll.

• • •

Steel Campaign

After many months of intensive attempts to organize steel workers in Toronto, Hamilton, Montreal, Sydney, and other parts of central and eastern Canada, the C.I.O. units in this labor field are apparently still insufficiently strong to demand recognition by the major firms as collective bargaining agents. No approach has as yet been made by the Steel Workers Organizing Committee or the International Association of Iron, Steel and Tin Workers to such big companies as Dominion Steel and Coal Corp., Steel Co. of Canada, and Dominion Foundries & Steel. In the Dosco steel plant at Sydney, an election held under the new Nova Scotia union legalizing law produced a majority in favor of the check-off (company deduction of union dues from pay envelopes). But this did not carry with it specific support of the union as collective bargaining agent and at time of writing no request has been made that the company recognize the union or make an agreement with it.

In Montreal, repeated declarations by union organizers that an approach would be made to Peck Rolling Mills, Dosco subsidiary, have brought no material results. The only steel firm to be served with demands by the union so far in Montreal is W. R. Cuthbert & Co., plumbing supply manufacturer. In the Toronto-Hamilton area, union achievements have been limited to agreement with a few comparatively small companies, and an expression of readiness by General Steel Wares management to meet a committee of union employees. The management reserves the right, however, to meet with a committee representing other employees and has given no undertaking to make an agreement with the union or grant its wage demands.

CANADA STEAMSHIP LINES, LIMITED

TO THE HOLDERS OF

First and General Mortgage 6% Gold Bonds, Series A

6% Cumulative Preference shares of the par value of $100 each

Common shares without nominal or par value of CANADA STEAMSHIP LINES, LIMITED:

NOTICE is hereby given that under the terms of the Modified General Plan of Reorganization dated October 1st, 1936, new securities are now available for exchange. Forms of Letters of Transmittal and printed instructions to be followed in obtaining new securities are available at the following offices:—

WITH RESPECT TO BONDS—

Montreal Trust Company,
511 Place d'Armes, Montreal, P.Q., or 61 Yonge Street, Toronto, Ont., or 190 Hollis Street, Halifax, N.S., or 218 Portage Avenue, Winnipeg, Man., or 210 McLeod Building, Edmonton, Alta., or Royal Bank Building, Vancouver, B.C., or 6 Lothbury, London, E.C.2, England;

The Royal Bank of Canada,
2226 King Street, Saint John, N.B., or St. James and St. Peter Streets, Quebec, P.Q., or Sparks and Metcalfe Streets, Ottawa, Ont., or 11th and Hamilton Streets, Regina, Sask.;

The Agency The Royal Bank of Canada,
68 William Street, New York, N.Y.

WITH RESPECT TO PREFERENCE OR COMMON SHARES—

The Royal Trust Company,
105 St. James Street West, Montreal, P.Q., or 59 Yonge Street, Toronto, Ont., or 3 St. James's Square, London, S.W.1, England.

CANADA STEAMSHIP LINES, LIMITED
R. B. Thomson, Secretary.

To the holders of Certificates of Deposit representing First and General Mortgage 6% Gold Bonds, Series A, of CANADA STEAMSHIP LINES, LIMITED:—

Approved Depositors Distribution Forms and instructions for obtaining new securities are available upon application at any of the above mentioned offices of Montreal Trust Company or The Royal Bank of Canada or at the Agency The Royal Bank of Canada, New York, or to the undersigned.

BONDHOLDERS PROTECTIVE COMMITTEE
OF CANADA STEAMSHIP LINES, LIMITED
T. J. Rappell, Secretary.

Moose Jaw Plan Spiked

City Faces Alternatives of Default or New Negotiations

From Our Own Correspondent

REGINA. — The Saskatchewan Local Government Board's plan to reduce Moose Jaw interest rates has been rejected by bondholders. The city has been approached direct to open negotiations with bondholders who have expressed a desire to be of some assistance to the city during its period of financial stress.

More than 40% of bondholders signed a petition against the scheme. The petition was presented to the Local Government Board by Jules E. Fortin. They did not like the arbitrary action of the board, and Mr. Fortin has urged the city to negotiate.

The board's recommendation, after looking into the city's financial position, was that rates of interest on the city's bonds for payments from July 1, 1937, to June 30, 1938, be varied by a 40% reduction in interest rates, but in no case to go lower than 3%. The board also ordered that the interest rate on bank borrowings on current taxes for 1936 and previous years be paid on the same basis.

Back to the Beginning

Nullification of the debenture interest rate reduction plan also nullified the plan to reduce interest rates on bank loans. This puts the situation right back where it was before the city appealed to the Local Government Board for a hearing on its financial difficulties.

Moose Jaw faces two alternatives on its debenture coupon payments for the next year—either to default July 1 or agree to negotiate for some form of new settlement with bondholders.

The board's order reducing the interest rates also specified that if within 30 days 20% of the debenture holders were opposed to the move, the order would be nullified. As it has turned out considerably more than 40% have signified disapproval of the ruling.

British Holdings

Considerable interest surrounds the case of the city of Moose Jaw because approximately 50% of its bonds are held by British investors, mainly small holders. The proposal of the Saskatchewan Local Government Board was not favorably received by these small holders. Moose Jaw bonds were withdrawn from quotation on the London Stock Exchange.

Royal Muskoka

GOLF . . on our sporty nine-hole watered course overlooking beautiful Lake Rosseau!

SWIM . . and dive and join the merry throng in doing all sorts of grand stunts that tune you up and keep you full of pep and make you laugh at your own funny antics!

OR IN . . between, take a whirl at deck-tennis, ping-pong, or the more sedate croquet!

SCUD . . along over foam-flecked waters in a speed boat or dinghy, taking a picnic lunch along to devour in some lovely little cove on a pine-clad island, making coffee over the open fire!

DANCE. each evening to LOREN CASSINA and his music—dreamy, romantic, illusive tunes that float out on the Summer night and keep feet gliding to their perfect rhythm!

LIVE — LAUGH — REST AND PLAY AT THE ROYAL MUSKOKA!

For reservations write, wire or phone the Manager, Room F, The Royal Muskoka, Lake Rosseau, Ontario, or communicate with City Information Office, 68 King St. West, Toronto, Elgin 2257.

BY MOTOR DIRECT TO HOTEL

North on Provincial Highway No. 11 to Gravenhurst 105 miles, then via Bala or Port Carling 40 miles direct to the Hotel, or, to Windermere, 30 miles north of Gravenhurst where you take the ferry on the hour to the hotel. Distance, 1½ miles. 1937 opening date June 26.

ACCOMMODATION:

170 outside rooms, all with hot and cold running water. 65 with private bath. Large tower bedrooms, spacious suites, furnished cottages.

Rates: American Plan—Weekly—Rooms with running water, Single $31.50 to $35.00; Double $29.75 to $31.50 each; Rooms with bath, Single $42.00 to $49.00; Double $35.00 to $52.50 each. Tower Rooms and Suites with bath, Double $56.00 each.

Daily rates—$4.50 to $9.00, according to room occupied and single or double. Children under ten years of age, half rate, where child occupies cot in room with parent or nurse.

Furnished Cottages with maid service and meals in Hotel by month or season.

DUNCANSON . WHITE & Co
Stock Brokers
Members Toronto Stock Exchange
Canadian Commodity Exchange, Inc.
New York Curb (Associate)
15 KING STREET WEST, TORONTO. WA. 3401

The A.B.C. of
True Temperance:

We assume that none of our readers would publicly *defend* drunkenness?

Then let us look at the question fairly and squarely:

Both at home and abroad there have been experiments with prohibition. They have all been unsuccessful. They have all proved that this prohibition or unreasonable restriction of alcoholic beverages does NOT promote temperance, but does the opposite!

What happens . . . when the legal door closes, the bootlegger's door opens.

Normally law-abiding people constantly and unblushingly break the law!

Don't let this happen again!

People want social relaxation. Experience has shown that they will get it whether the law permits or not.

Where this relaxation is easy to get there is seldom any abuse.

The right method, then, of combating excess must be to continue to make it lawful for people to obtain a mild, healthy beverage which will help them relax, enable them to enjoy one another's company, without inviting abuse.

This is the British tradition. Because self-control rather than law control is the British tradition!

If the prohibitionists desire to abolish the evils of excessive drinking, they should realize that the destruction of the present carefully controlled facilities is the certain way to drive men to abuse!

● *This advertisement is inserted by the Brewing Industry in the interest of a better public understanding of certain aspects of the problems of temperance and local option.*

Construction

Engineering Contracts Bolster Building Trend

Pace of Construction Revival Eases But Contracts Indicate Maintenance of Activity in Industrial, Engineering Fields

Canadian construction activity, although at the highest point since 1932, has passed its seasonal spring peak and appears to be entering a period in which contract awards and building permit totals are likely to show a levelling off from figures of the first five months of this year.

Despite substantial increases in prices of wholesale building materials there is no indication that construction operations are due for a slump, since figures of contemplated building and contracts awarded for work yet to be done reveal a substantial volume of construction in sight. In addition, the prospect of large individual engineering projects, as yet unannounced, renders the outlook favorable for continued expansion in industrial and engineering classifications.

May indices of construction activity show the first definite sign of a slackening in the pace of activity this year, indicated both by building permit totals and contract awards compared with April. Building permits reported by 58 Canadian cities totalled $5.4 millions in May against $6 millions in April, a decline of 11.5%, and contract awards reported by MacLean Building Reports Ltd. declined from $24.4 millions in April to $24.1 millions in May.

Outlook is Favorable

In comparison with totals of the last few years, the current building situation, however, reflects expansion on the largest scale since 1932. Building permits particularly show the growth of activity in the first five months, in the following figures, compiled by the Dominion Bureau of Statistics from 58 Canadian cities:

Value of Canadian Building Permits
(Index Base 1926 Equals 100)

Year	May Only $	1st 5 Mos. $	Index Value 1st 5 Mos.	Average Wholesale Prices Bldg. Materials 1st 5 Mos.
1937	5,399,489	21,967,654	36.6	94.6
1936	4,836,358	13,666,195	22.8	86.3
1935	4,728,340	19,535,656	32.5	81.7
1934	3,019,761	7,999,917	13.3	83.0
1933	2,065,372	6,726,695	11.2	75.2

Building Yet to Come

Contract awards of $80 millions in five months compare with $57 millions in the same period of 1936, while permit totals rose from $13.6 millions to $21.9 millions. The result is a wide margin of construction, already foreshadowed in contracts but which is not yet translated into actual building. This will continue to exert a powerful influence on employment, demand for materials and equipment for some time to come. Much of it will be reflected in building permit figures for the second half of this year.

To estimate the prospects for construction in the remaining months of 1937 the rise in building materials costs must be considered. Building materials are now at the highest price level for any similar five months' period since 1931. But in spite of the recent advance, average prices are still below the average for the January-May periods of the 17 years, 1920 to 1936.

Industrial and Engineering

Much of the contemplated construction, as well as the $80 millions in contracts awarded during the first five months of this year, consists of industrial and engineering projects, highway building and business classifications, and indications are that dwelling house construction may be a relatively minor item. Of 50 or more cities furnishing building permit statistics last month, only 600 permits, valued at $1.8 million, were for dwellings, compared with 3,000 other buildings involving $3.2 millions. These figures show little change from April totals and they are confirmed by a similar trend in contract awards for May which show that of $24 millions in new awards only $6.4 millions were for dwellings and apartments.

Comparative figures of building permits in May, by provinces, reveal the following results:

Estimated Value of Building Permits

	May, 1937 $	Apr., 1937 $	Apr., 1936 $
P. E. I.	48,625	5,725	22,000
N. S.	214,040	170,339	135,233
N. B.	87,455	55,834	49,350
Que.	1,142,661	1,414,261	1,396,380
Ont.	2,544,464	2,716,529	2,140,766
Man.	308,260	287,100	340,790
Sask.	169,889	142,956	57,955
Alta.	229,784	263,574	139,131
B. C.	654,311	1,041,718	554,753
Total	5,399,489	6,098,036	4,836,358

RETAILING — 1937

Striking in its ultra modern impression is the black granite-stainless steel-red vitrolite treatment of the exterior of the new S. S. Kresge Co. store in Montreal. Glass brick, and illuminated clock and a huge store sign add to the smartness of the color scheme. The store was recently opened with formal ceremonies attended by leading Canadian and United States executives of the Kresge organization.

Wellington Building Is 80 Per Cent Rented

Rental income of Wellington Building Corp., Toronto, was $66,092 in 1936. This compares with rental income of $55,389 for the nine months ended Dec. 31, 1935. Net income for 1936 was $12,044 and addition of the balance brought forward at Dec. 31, 1935, left a balance available for bondholders of $31,239.

An amount of $12,862, held by the trustee in connection with the payment of an earlier coupon, was transferred to general account in 1936 and made a total of $44,101 available for payment of interest. Two coupons were paid in the year, the last payment being made Dec. 15. This payment left a balance of $9,675 at the end of 1936. Interest due July 5, 1933, and later is in arrears.

Flair for Originality Shown By Gypsum Head

G. A. Dobbie Guided Galt Through Slump Without Relief Debt

George Alexander Dobbie, president of Gypsum, Lime & Alabastine, Canada, Ltd., since early this year, is well equipped for the battle he will face in July when the former management attempts to regain control.

Since 1916 he has risen steadily to the front rank of Ontario industrialists. His rise to the command of the Gypsum Company has been more spectacular. He was first elected to the board in 1933 and became vice-president in 1935.

He is primarily interested in textiles, is a figure in life insurance circles, was one of the pioneers in the motor industry and in pre-war days was in the buggy business.

Criticism of opponents that the present management does not know the gypsum business does not raise a ripple in the presidential office.

Mr. Dobbie long ago discovered, he explained to The Financial Post, that the problems of different businesses are closely parallel. Principles successful in a textile plant are, he has found, equally successful in running a life insurance company or, as he is prepared to demonstrate, in making building products.

Duties of Executive

To him organization and planning are the duties of an executive. Trained men must be selected to do specific tasks. The executive head of the organization co-ordinates their efforts.

Dobbie is not the two-fisted type of executive so familiar in the pioneer stages of Canada's development, familiar yet in the cracking open of the north country. He is the soft-spoken Canadian-Scot who does not relish a fight but does not duck it.

His record of success is a record of planning to meet contingencies, of developing new lines to pick up slack seasons in his existing products. He explains the continuous growth of textile plants at Galt by pointing to the care he has taken to follow consumer preferences.

His flair for doing things in a different way showed itself during the depression in the matter of municipal finance. While other municipalities were borrowing money to finance direct relief, Dobbie headed a civic committee in Galt which raised all the money needed by private subscription. Another committee looked after the expenditure. Now Galt has no relief capital expenditures to retire.

Wide Interests

Mr. Dobbie is chief owner and president of Newlands & Co. and Stauffer-Dobbie Ltd., with plants at Galt. He is a director of Mercury Mills, Ltd., Slingsby Manufacturing Co. and Slingsby Silks, Ltd. The two latter companies are guided by C. Gordon Cockshutt, Brantford, with whom George A. Dobbie has been closely associated for 20 years.

Outside the textile industry he is a director of Dominion Life Assurance Co., The Cockshutt Plow Co., British American Oil Co., United Corporations and Waterloo Trust & Savings Co.

George Dobbie was born in 1880 in the Scottish settlement of Lanark, Ont. His father ran a foundry in Lanark until he moved to Brockville in 1886 where he established a wholesale and retail hardware business. Young Dobbie finished high school and was all set to go to Queen's University. One of his father's salesmen left so the son matriculated into the hardware business instead.

One of his best customers was the late Robert Scott of the Victoria Wheel Works, Galt. In 1906 he bought the plant and a year later married Mr. Scott's daughter. He sold the wheel works in 1916 when the motor industry had become a real threat.

Automobile Venture

In 1913 Dobbie had his first direct contact with the motor industry when he joined a group which manufactured the "Galt" car. A few hundred cars were turned out in the next four years. Among his achievements he can boast making the first car in Canada equipped with electric lights and a power pump to inflate tires.

GEORGE A. DOBBIE

In his own companies Mr. Dobbie is an employer of over 700 persons of whom 60% are women. He believes that if an employer is fair, employees will return that fairness. He carries life and sickness insurance for his workers and provides a nursing service. He believes that a system of contributory pensions is inevitable to industry.

Staveley Apartments May Pay Interest Soon

Staveley Apartments, Toronto, reports a rental income of $14,085 in 1936, compared with $13,968 in the year ended May 31, 1936. After adding the balance of $4,900 brought forward at the end of 193[illegible] and deducting the operating expenses, including receiver's fees of $3,500, a balance of $5,517 was available for bondholders.

All taxes have been paid, including the first installment for 1937 and the building was approximately 100% occupied at June 1. It is expected that another interest payment will be made in a few months.

In Nov., 1936, a reorganization was effected by which bondholders will receive a total of $52,100 in bonds and cash. The exact proportion of each has not yet been settled. There are $86,850 of 6½% serial bonds outstanding now on which interest is in default from Aug. 15, 1933.

Company Reports

University Tower

Little change was made in revenues of University Tower Corp., Montreal, in the year ended April 30, 1937, as compared with the previous year. First mortgage interest, before depreciation, was earned about 1.45 times in 1937.

The company has paid interest on its 6% first mortgage loan and reduced the principal by $25,000 to $1,145,000 in the past year.

All due taxes have been paid and the president, W. G. Hanson, states that new leases signed as from May 1, 1937, are on a slightly higher scale of rentals and that the corporation's gross and net revenue should increase during the coming year.

Profit and Loss Account
Years Ended April 30

	1937 $	1936 $
Revenues	232,890	232,341
Less: Exps. & taxes	129,322	127,967
Res. for bad debts	2,327	4,218
Net income	101,241	100,156
Less: Depreciation	46,320	46,273
Int.: On 1st mtge.	69,575	71,025
Gen. mtge. bonds	65,000	65,000
Loans	24,029	22,468
Trustee's charges	350	816
Comm. on leases w/o	1,020	2,171
Add: Int. & disc. earn.	1,564	1,565
Net loss for year	103,491	106,032
Working Capital		
Current assets	55,757	53,057
Current liabilities*	15,893	18,777
Working capital	39,864	34,280

*Does not include interest on 6½% general mortgage bonds from Nov. 1931, to date, amounting to $347,500 in 1937 and $282,500 in 1936, nor loans from shareholders with accrued interest of $356,433 in 1937 and $332,404 in 1936.

Guardian Realty Co.

Guardian Realty Co. of Canada, owning and operating the Royal Bank Building, Toronto, reduced its loss for the year to $4,253 in 1936 from $12,306 in 1935. This is after all charges including depreciation. A reduction of $25,000 was made in the first mortgage held by Metropolitan Life Insurance Co., bringing this to $1,075,000. The 6% second mortgage bonds were also reduced by $17,498 to $65,000. Arrears of dividends on the 7% preference stock now amount to $797,500.

A new lease has been negotiated with The Royal Bank of Canada, resulting in a decrease of $2,706 in rent paid by the bank in 1936.

Income Account
Years Ended Dec. 31

	1936 $	1935 $
Rental income	246,112	249,285
Sundry income	5,687	6,028
Total revenue	251,799	255,313
Less: Manager's fees	8,813	8,936
Net revenue	242,986	246,377
Less: Taxes	52,868	50,851
Other expenses	88,000	91,697
Net income	102,118	103,829
Less: Mortgage interest	69,645	72,024
Refinanc. chgs. w/o	2,935	2,805
Bad debts	......	757
Depreciation	33,791	40,549
Net loss for year	4,253	12,306
Less: Prev. surplus	6,423	19,072
Bad debts recovered	500	......
Add: Additional taxes	562	343
Surplus forward	2,108	6,423

Working Capital

	1936 $	1935 $
Current assets	23,143	35,740
Current liabilities	31,543	31,579
Working capital	*8,400	4,161

*Excess of current liabilities over current assets.

Bruck Silk Defers Dividend

Reason Attributed to Advance Buying of Raw Materials

From Our Own Correspondent

MONTREAL. — Though net operating results of Bruck Silk Mills for the fiscal year to date have been considerably better than those of the corresponding period last year, directors of the company have decided to defer dividends on the common stock.

This action was taken, according to an official announcement, because the company is faced with a prevailing world wide shortage of its principal raw materials and, "in order to assure itself of uninterrupted supplies the management considers it necessary to acquire and carry substantial stock of raw materials on hand and in bonded warehouses. Therefore, in order to maintain a good working capital position, in spite of the more favorable results in the year to date, the directors consider it advisable to conserve the company's liquid resources and defer dividend action at this time."

Report Higher Sales

At the annual meeting last December, I. I. Bruck, president, told shareholders that for November, the first month of the current fiscal year, sales were 20% higher than for the same month a year ago.

Construction World

Obsolete Airports

Airports regarded as the last word in scientific design and equipment a year or two ago are now as obsolete as yesterday's daily newspaper.

For that reason some $50,000 is being spent on modernization of the Regina airport, for which specifications are being prepared by the Regina city engineer's department. The cost will be paid by the Department of Transport.

New landing strips will be built and the existing runways moved to new locations and greatly enlarged. One runway 100 feet wide and 2,000 feet long will be widened to 150 feet and lengthened to 3,300 feet, later to be extended to 5,500 feet. The other runway of 2,400 feet will be extended to 3,300 feet to accommodate the new airliners which require landing field facilities of a far larger and more elaborate type than have been used in Canada in the past. Vancouver, too, is spending $160,000 for night lighting and extension of city airport runways.

Modernization of airports and construction of new landing facilities in Canada require foresight on the part of engineers and municipal authorities. Those designed to meet existing needs may prove useless in a few years when giant airliners, larger than any on the existing U. S. transcontinental routes, become a common sight in Canadian skylanes.

• • •

Huge Air Base for B.C.?

Coincident with modernization and extension of civil airports in various parts of Canada is the huge military air station project at Jericho Beach, Vancouver. Government officials are never outspoken in connection with construction of military works, particularly when they happen to be located on the Pacific Coast, and all details of the scope of the Jericho Beach air station are not known.

But western reports declaring that British Columbia may expect to have "one of the greatest air bases for military operations in the world" are further substantiated by The Municipal News, journal of the Union of B. C. Municipalities, which states:

"Officials at Jericho are declared to be in possession of plans and blueprints which, started in the immediate future, will make the station 'even larger and more powerful than the air base at Singapore.'" The Singapore base is one of the most costly and elaborate in the world.

Toronto's New Subway Estimated at $275,000

The Dominion Board of Railway Commissioners has granted an application for construction of a subway to replace the Victoria Park level crossing in Toronto. The new subway is estimated to cost $275,000.

A grant of $125,000 will come from the Dominion unemployment relief fund and $25,000 from the grade separation fund.

Good News
For Building Owners, Architects and Roofers
ROOFING NEWS
EXTRA
COAL TAR PITCH SUCCESSFULLY APPLIED TO STEEP ROOFS—
BY BARRETT
NEW PRODUCT SHOWS REMARKABLE STABILITY
Does not Slide or "Bleed" under high Temps
Opens New Field for Built-up Roofs
MOST REMARKABLE ROOFING ACHIEVEMENT OF THE CENTURY
Years of Research Crowned with Success
New Factory protected by Roof of Barrett Steep Roof Pitch

STEEP ROOFS need no longer be a problem. After years of painstaking research and experiment, Barrett has successfully developed a steep roofing pitch, making it possible to apply built-up Felt and Pitch roofs on *steep*, as well as flat, roof decks.

Born of Barrett leadership and long experience, Steep Roof Pitch combines *with unusual stability*, all the unmatched waterproofing and weatherproofing qualities of Coal Tar Pitch. Experience has shown that Barrett Steep Roof Pitch does not slide or "bleed" at highest roof temperatures; does not crack with cold; does not lose its bond and holds the surfacing material well embedded. Ask the Barrett representative for details or write us for application specifications.

HIP

Right on Top

Barrett STEEP ROOF PITCH

The BARRETT COMPANY LIMITED
• MONTREAL • TORONTO • WINNIPEG • VANCOUVER •

"THE GREATEST NAME IN ROOFING"

FOR YEARS OF SERVICE AND Beauty THAT LASTS!
GENERAL STORE

DURABILITY that has been proved on thousands of Canadian buildings.

PROTECTION from every assault of weather and sun —from the dangers of fire from flying sparks and embers.

BEAUTY that is non-fading, permanent,—an asset to any property owner.

These are the values you receive when roofing or re-roofing with Murray-Made Thick Butts. They may be laid over old wooden shingle, thus saving money and avoiding muss and dirt.

MURRAY M MADE

THICK BUTT ASPHALT SHINGLES

Send for illustrated folder and prices.

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SAINT JOHN WINNIPEG VANCOUVER

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Abitibi Power & Paper Company, Limited
TORONTO, ONT.

Owning directly or through subsidiary companies, mills at

Beaupre, Que. Sault Ste. Marie, Ont.
Sturgeon Falls, Ont. Iroquois Falls, Ont.
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50 Years of Progress

Continued research in the Gypsum field by our engineering department has given to G. L. A. Products a world-wide reputation for superior quality in building materials.

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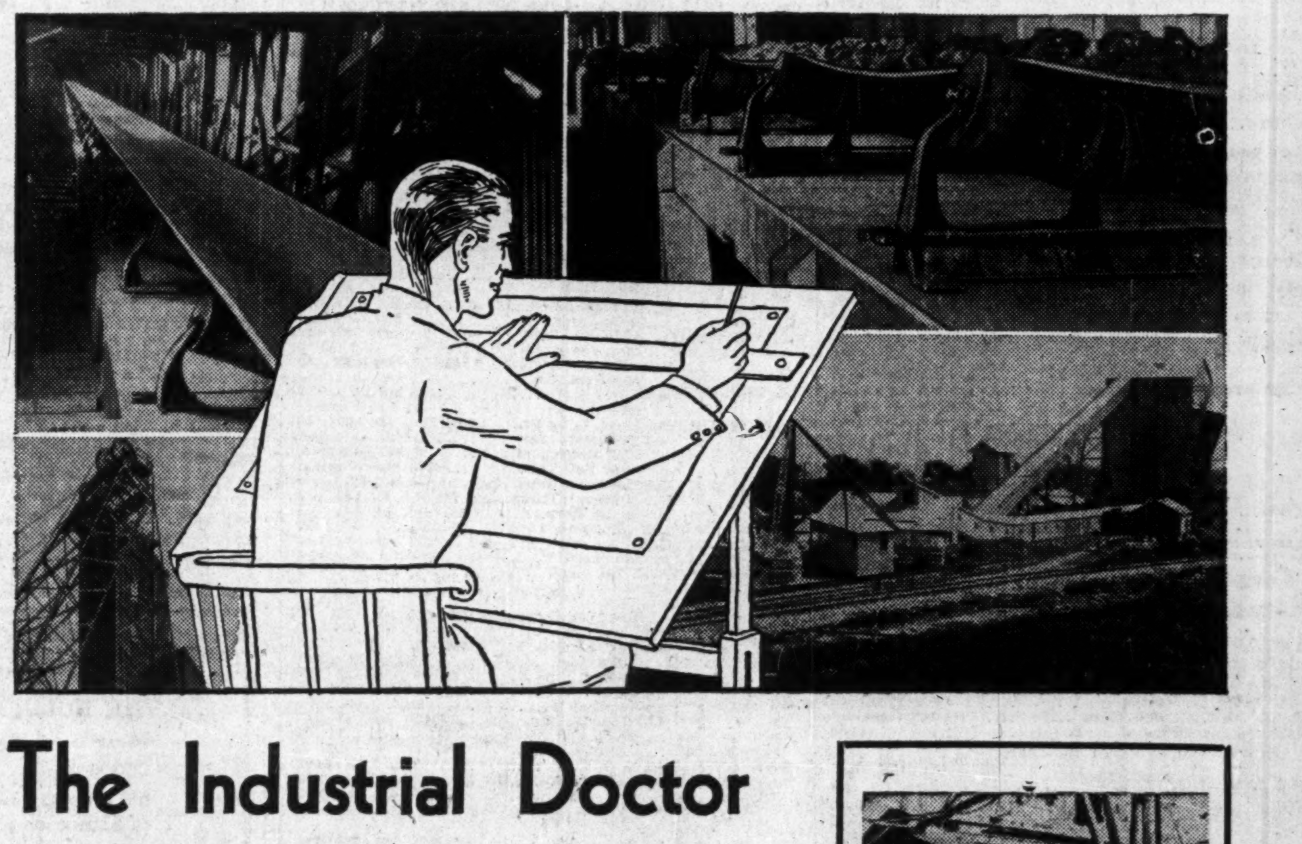
UNITED STEEL IN INDUSTRY . . . . NUMBER TWO

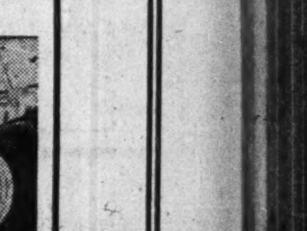


The Industrial Doctor

IF THE necessity to increase production and lower costs is a perplexing problem in your plant operation . . . send for United Steel Corporation to help you.

Our engineers are "industrial doctors" who will prescribe the type of equipment to efficiently and economically solve your problem. They will design and manufacture dependable industrial equipment to meet your individual requirements.

Industries of many different types — large and small, all over Canada — have benefitted by our recommendations. Invite us to study your problem . . . without obligation. Let our resources and experienced personnel serve you!



Dodge V-Belt Drives serve industries of many different types all over Canada.

A reputation for absolute dependability in mining machinery has been built by United Steel Corporation in many of Canada's largest producing mines. The Dodge Division designs and manufactures

Feeders - Conveyors
Bucket Elevators
Modern Power Transmission

UNITED STEEL CORPORATION
LIMITED

TORONTO . . WELLAND DODGE MANUFACTURING DIVISION CANADIAN MEAD MORRISON MONTREAL . . WINNIPEG

STOCK AND BOND MARKET QUOTATIONS

Montreal, Toronto, Curb

The following table is confined to official prices for listed stocks. Where no recent transaction is recorded, bid and asked prices are given. For unlisted stocks, quotations by unlisted dealers are published. The Financial Post cannot accept any responsibility for such quotations.

WEEK ENDING JUNE 21

Range 1937 High	Low	Div Jne19 R'te $	Y'ld %		Sales	Last June 14	Week end. June 21 H	L	Cl'se
				A					
15½	5¼	.	...	Abitibi	5226	6¾	6¾	6½	6¾
80	41½	.	...	Do. pref. 6%	3033	60	61	59	60
97	60	.	...	Do. pref. 7%	....	(— bid 85 asked)			
79½	41	.	...	Do. cert. dep.	220	62½	60	58	58
6¾	4¾	10c	...	Acadia Sugar	....	(3½ bid 4½ asked)			
18½	9½	50c	5.3	Acme Glove	....	(— bid 12½ asked)			
94	75	6.50	8.7	Do. pref.	5	75	75	75	75
12	8½	40c	4	Agnew Surp.	160	9¾	10	10	10
110	105	7	6.6	Do. pref.	50	105	105½	105½	105½
7	4½	.	...	Alta. Pac. Gr.	....	(4¾ bid 5½ asked)			
43½	25	.	...	Do. pref.	145	25	28	25	25
135	114	.	...	Aluminum	....	(104 bid 108 asked)			
130	130	6+3.75▲	...	Do. pref.	....	(130 Mar. 19)			
7	5	.	...	Amal. Electric	....	(— bid 5 asked)			
31	26	.	...	Do. pref.	5	26	27	27	27
35¾	29½	15c	...	Amer. Cyn. B.	300	31	30¾	30½	30¾
122½	80	.	...	Asbestos	1329	84	87½	83	84½
3.20	.75	.	...	Do. Rights	2473	1.05	1.25	.85	.85
16	11	80c	5.5	Assoc. Brew.	345	14½	14½	14½	14½
110½	106	7	6.4	Do. pref.	....	(107½ bid — asked)			
6½	6½	.	...	Assoc. T. & T.A.	....	(— bid 8 asked)			
57	51	42c	...	Do. pref.	....	(— bid 51 asked)			
102½	100	5.50	5.5	Ault & Wiborg pf.	....	(— bid 100 asked)			
				B					
60	57	2.25	3.8	Bank of Canada	30	58½	59½	58	59½
160	143	8	5	Bk. Can. Nat.	....	(159½ bid — asked)			
245	219	8	3.4	Bk. Montreal	195	236	237	233½	235
340	305	12	3.7	Bk. N. Scotia	29	322	328	325	327
273	246	10	3.9	Bk. Toronto	35	255	258	250½	250½
8	6	.	...	Barcelona	....	(5 bid 7½ asked)			
15	10½	96c	...	Barker's Bread	....	(— bid 15 asked)			
48	43½	2.50	...	Do. pref.	....	(— bid 48 asked)			
24¾	17	.	...	Bathurst Pr.	1301	18½	18½	18	18
12½	8¾	.	...	Do. (B)	20	8½	8½	8½	8½
5¾	3	.	...	Bawlf Grain	....	(3½ bid 3¾ asked)			
38	25	.	...	Do. pref.	10	25	25	25	25
10	4¾	.	...	Beath & Sons	....	(4 bid 5½ asked)			
21½	14¾	.	...	Beatty Bros. A.	170	17	18	16¾	16¾
112	100	6	5.4	Do. pref.	....	(105 bid 110 asked)			
105	102	7	6.7	Do. 2nd pref.	....	(99 bid 105 asked)			
10	5	.	...	Beauharnois	1383	6¼	6½	6	6½
107	100	4	4	Belding Cort.	....	(— bid 105 asked)			
130	126	7	5.4	Do. pref.	....	(130 bid — asked)			
178	154	8	4.8	Bell Telephone	966	166	168	165½	167
16¾	10½	50c	...	Biltmore Hats	50	12	12	12	12
110	109½	7	6.4	Do. pref.	....	(110 bid — asked)			
13	8½	.	...	Bissell, T. E.	....	(7 bid 15 asked)			
69	45	.	...	Do. pref.	20	60	69	69	69
6¾	4	.	...	Blue Ribbon	10	4	4	4	4
40	35	2	5.6	Do. pref.	102	37½	37	36	36
29¾	14¾	1.30	5	Brant. Cord. pf.	10	25½	25½	25½	25½
30½	18½	90c	...	Brazilian Tr.	15393	23¾	24¾	23	23¾
9½	6	1.40+10c	...	Brew. & Distil	29	7½	7½	7	7½
6½	6	30c	...	Bright, T. G.	....	(6½ bid — asked)			
†82	75½	6	...	Do. pref.	....	(74 bid — asked)			
26½	21¾	1+20c	5.2	Brit. Amer. Oil	3342	23½	23½	22¾	23
22	16			B. C. Packers	98	18	18½	18	18½
39½	35	1.80	4.8	B. C. Power A.	402	36	36¾	35	36
11½	7	.	...	Do. (B)	35	8	7½	7	7½
12	6	.	...	Bruck S. Mills	325	6	6½	6	6
74½	54½	1.40+50c.	...	Building Prod.	170	61¾	61	58	60
18	14¾	70c	...	Burlington Steel	290	17	15½	14¾	14¾
8	5	25c	...	Burry Biscuit	....	(5 bid 5½ asked)			
60	50	3	6	Do. pref.	....	(— bid 60 asked)			
44½	39½	2	4.8	Burt, F. N.	10	40	41½	41½	41½
				C					
105	100	.	...	Calgary Power	....	(100 bid — asked)			
92	79	6	6.7	Do. pref.	....	(— bid 93 asked)			
10½	6½	.	...	Canada Bread	195	7½	7½	6½	6½
103½	99¾	5	4.9	Do. pref.	....	(101 bid 103 asked)			
59½	50	2.50+12½c▲		Do. pref. B	5	53	53	53	53
10½	8½	.	...	Canada Bud	40	8½	8½	8½	8½
23	15½	.	...	Canada Cement	1190	16½	16½	15¾	16
111	100	2	...	Do. pref.	123	103	104½	103	103½
73½	60	1.50+1	3.5	C. & D. Sugar	35	71	70½	70	70½
b38½	25½	.	...	Canada Dry	17700	28	29½	24½	26¾
20¾	16	.	...	Can. Forg. (A)	10	18	18	18	18
18	14	.	...	Do. (B)	....	(16 bid 18 asked)			
31	30	.	...	Can. Iron	....	(34 bid — asked)			
72	66½	5	...	Do. pref.	....	(74 bid — asked)			
39	34	1.50+50	5.3	Can. Malting	253	37½	37½	37	37½
29½	20	1.20	6	Can. Nor. Pr.	4	21	20½	20	20
112	108	7	6.4	Do. pref.	20	109¾	110	110	110
98	84	3	3.6	Can. Packers	25	84	84	84	84
†118	105	.	...	Can. Paper, pf.	....	(112½ bid — asked)			
7	1¾	.	...	Can. Paving, pf.	....	(1¾ bid 6 asked)			
160	146	8	5	Can. Perman.	6	155	160	157	157
25	25	6	...	Can. Starch	....	(30 bid — asked)			
105	105	7	6.7	Do. pref.	....	(105 bid — asked)			
4	1½	.	...	Do. new	5	2½	1½	1½	1½
7	4	.	...	Do. new	213	4½	4	4	4
10	4	.	...	Do. pref.	220	5	5½	4	4
18½	14	.	...	Do. pref. new	200	15	14½	14	14
21	17	1.20	6.7	Can. Vinegars	50	18	17½	17½	17½
75	50	.	...	Can. W. Cable	14	60	65	65	65
31	19	.	...	Do. (B)	60	28	27	25	25
118	114	2▲	...	Do. pref.	....	(— bid 121 asked)			
6½	4	.	...	Can. Bakeries	....	(4 bid 8 asked)			
73	57	.	...	Do. pref.	35	58	65½	57	65½
211	183	8	4.2	Can. Bk. Com.	48	195	195	193	193
4	2¾		...	Can. Breweries	1470	2¾	3½	2¾	2¾
21½	14½	1.50	...	Do. pref.	599	18¾	19¾	18½	19¾
61½	46¾	1.50+75c.		Can. Bronze	10	48	48	47	47
110	104	5	4.6	Do. pref.	....	(109 bid — asked)			
9½	7½	.	...	Can. Canners	76	8½	8¾	8½	8¾
20½	18½	1	...	Do. 1st pfd.	305	20	19¾	19¾	19¾
12½	10	15c	...	Do. 2nd pfd.	961	11¾	11¾	11½	11½
21¾	13½	.	...	Can. Car. & F'y	1545	15¾	16	15¾	15½
32	23	.	...	Do. pref.	335	26½	26½	26	26½
31	24	1.60	6.5	Can. Celanese	115	24½	25½	24½	25½
126	120	7	5.8	Do. pref.	10	120	120	120	120
22	21			Do. rights	225	21	21	21	21
32	27	2	7.2	Can. Convert.	25	28½	28	28	28
80	65½	4	5	Can. Cottons	....	(81½ bid — asked)			
108	105	6	5.6	Do. pref.	....	(108 bid — asked)			
47	38	2+1	6.8	Can. Dredge	240	44¾	46	43½	43½
101	101	6	5.9	Can. Fairb. p.	....	(101½ bid — asked)			
33	23	1.60+40c		Can. For. Inv.	45	26	25½	25	25
107	105	8	7.6	Do. pref.	....	(105 bid — asked)			
240	203½	6	2.9	Can. Gen. Elec.	5	207	203½	203½	203½
12	9¾	50c	...	Can. G. Inv.	....	(— bid 10½ asked)			
84	71	.	...	Can. Hyd. E. p.	495	80	79	76	76½
6½	4¾	.	...	Can. Ind. Alc.	2145	5¾	6	5½	5¾
7¾	4	.	...	Do. (B)	216	5	5	4	4¾
249	235	3.50	...	Can. Indust. B.	....	(239 bid 240 asked)			
160	153	7	...	Do. pref.	....	(159 bid 161 asked)			
5	2	.	...	Can. Int. I. Tr.	....	(2½ bid 4 asked)			
99	93	3.75	...	Do. pref.	....	(— bid 92 asked)			
21	17	1	5.9	Can. Lt. & Pr.	11	18	17	17	17
23½	12	.	...	Can. Locomo.	19	14	14	13½	13½
3¾	1½	.	...	Can. Marconi	3965	1¾	1¾	1½	1¾
19	11	50c	4.2	Can. Oil	....	(11½ bid 15 asked)			
135	115	8	6.8	Do. pref.	....	114½ bid 120 asked			
17½	12	.	...	Can. Pacific	6983	12¾	13½	12½	12½
7½	3	.	...	C. Pr. & Pa. In.	11	3	3½	3	3
27½	18	.	...	Do. pref.	....	(— bid 19 asked)			
16	7½	.	...	Can. Vickers	310	9	8	7½	7½
65	41	.	...	Do. pref.	15	43	41	41	41
25	25	1	...	C. Wallpaper, A	....	(— bid 25 asked)			
27½	24	1	...	Do. (B)	....	(— bid 25 asked)			
66	66	2	3	Can. West'ho'se	....	(— bid 67 asked)			
4	1¾	.	...	Can. Wineries	30	1¾	1¾	1¾	1¾
25	22	2.12½	...	Can. Wire Box	5	24	23	23	23
9½	7¾	.	...	Capital Estates	347	7½	7½	7½	7½
107	100	5	4.8	Carnation, pfd.	5	103	103	103	103
11½	6¾	25c	...	Catelli Food	....	(— bid 8 asked)			
11½	10	38c	...	Do. pref.	....	(— bid 12 asked)			
3	1½	.	...	Celtic Knit.	....	(1¾ bid 5 asked)			
†165	150	8	...	Cent. Can. L'n.	....	160½ bid 195 asked			
1.44	.70	.	...	Chem. Research	1150	.75	.80	.70	.80
2.50	.70	.	...	City Gas & El.	610	.70	1.10	.70	1.00
.80	.35	.	...	Claude Neon	150	.35	.40	.35	.35
14½	12½	1.08	8	Coast Brew.	20	13½	13½	13½	13½
22½	14½	.	...	Cockshutt Plow	1216	18½	18	16	17
4	1¾	.	...	Comm. Alcohol	175	2½	1¾	1¾	1¾
4¾	3½	.	...	Do. pref.	....	(4 bid 4½ asked)			
23	20	$1+20c		Cons. Bakeries	685	20½	20¾	20	20½
24½	10¾	.	...	Cons. Paper	12218	17½	17¾	16¾	17
22	12½	25c	...	Cons. Press	55	21	21½	21	21
60	47	.	...	Cons. Sand, pf.	....	(47 bid 65 asked)			
100½	72	50c+$1		Cons. Smelters	4921	75½	78	75	75½
211	201	10	4.9	Consumers' Gas	116	204½	202½	201	202½
95½	89	7	7.4	Corr. P. Box, p.	....	(92 bid 95 asked)			
27½	22	1	4.2	Cosmos Imp.	65	24	24	24	24
105½	103½	5	4.8	Do. pref.	....	(105 bid — asked)			
22	18	80c	4	Crown Cork	445	19½	20	19½	20
2½	1½	.	...	Crown Dom. Oil	10	2	2	2	2
50	40	3	...	Crow's N. Coal	25	45	45	45	45
				D					
5¾	4	.	...	David & Fre. A.	....	(3½ bid — asked)			
†1.25	.50	.	...	Do. (B)	....	(.15 bid 1.00 asked)			
22½	15	.	...	De Havilland	....	(16 bid 18½ asked)			
82	67	.	...	Do. pref.	....	(65 bid 80 asked)			
10	5	.	...	Disher Steel	....	(3½ bid 9 asked)			
18¾	15½	.	...	Do. pref.	46	17	16½	16½	16½
29	20	.	...	Distill.-Seagram	1795	21¾	22½	20½	21½
94½	92½	5	5.4	Do. pref.	....	(— bid 99½ asked)			
..	..	.	...	Dom. Ang. Inv.	....	(90 bid — asked)			
95	95	5+1.25▲		Do. pref.	....	(90 bid — asked)			
250	222	10	4.5	Dom. Bank	42	223	222½	220½	220½
58½	47	1.20	2.4	Dom. Bridge	542	49	50	48¾	49
24	19	1.50	7.5	Dom. Coal, pf.	605	20½	20½	20	20
73	59	.	...	Dom. Engineer	50	60	60	60	60
37½	29	.	...	Dom. Foundries	85	35	35¾	35	35
99	99	6	6.1	Do. pref.	....	(— bid — asked)			
118	110	5	4.5	Dom. Glass	....	(105 bid 110 asked)			
153	140	7	5	Do. pref.	75	140	142	140	140
.10	.10	.	...	Dom. Motors	....	(— bid 10 asked)			
43½	40	.	...	Dom. Oilcloth	....	(39 bid — asked)			
105	105	7	6.7	Dom. Rubber, p.	....	(99 bid — asked)			
5	4	.	...	Dom. Scot. Inv.	....	(— bid 3½ asked)			
44	38	2	...	Do. pref.	....	(35 bid 43 asked)			
28¾	12½	.	...	Dom. St. & C.B.	4911	18	18¾	17½	18
12¾	9½	.	...	Dom. Stores	795	9¾	9¾	9½	9½
18½	12¾	.	...	Dom. Tar & Ch.	610	13½	13½	12¾	13
117	107	.	...	Do. pref.	203	108	109	107	108
85	73	5	6.2	Dom. Textile	505	79½	80	79	80
149	142	7	4.9	Do. pref.	5	143½	143½	143½	143½
19½	13½	.	...	Donnacona P.A.	3526	16	17	15¾	16½
19	13½	.	...	Do. (B)	1322	16	16½	16	16½
20	13½	.	...	Dryden Paper	346	16	16½	15½	16½
				E					
7	2	.	...	East. Koot. Pr.	....	(2 bid — asked)			
36	12	.	...	Do. pref.	15	13	13	13	13
5	2½	.	...	East. Dairies	20	2½	2½	2½	2½
30	10	.	...	Do. pref.	115	14	12	10	10
24	18½	.	...	East. Steel	125	18½	19	18½	18½
110	106	7	6.4	Do. pref.	....	(107 bid 112 asked)			
60	60	7	11.7	East. Theat. pf.	....	(60 bid 84 asked)			
9½	4½	.	...	Easy Washing	100	5½	6	6	6
39	34	1.37½	...	Economic Inv.	....	(35 bid 39 asked)			
24	17½	1.60+10c.		Electrolux	350	17½	18	17½	18
8½	4½	.	...	Enam. & Heat.	55	5	6	5	5
37	30	.	...	English Electric	335	31½	32½	32	32½
16½	10	.	...	Do. (B)	230	10	11	10	10
7	5½	.	...	Equitable Life	10	6	5¾	5¾	5¾
10½	9½	30c	...	European El. A.	....	(— bid 9½ asked)			
.65	.65	.	...	Do. Warrants	....	(.35 bid — asked)			
				F					
13	8½	.	...	Fairchild Air	1030	8½	9½	9	9½
35	24	.	...	Fam. Players	....	(22 bid — asked)			
34	25	.	...	Do. Vot. Tr.	....	(25 bid — asked)			
24½	19	25c	...	Fanny Farmer	790	20¾	21	20½	20½
29¾	21¾	1	4.4	Ford Motors A.	2185	22	22½	21¾	22½
2½	1	.	...	For. Pr. Secs.	225	1½	1½	1½	1½
31	23	.	...	Foundation Co.	470	25	26½	24¾	25
50	29	.	...	Fraser Cos.	346	43½	44½	43	45
50	29½	.	...	Do. Vot. Tr.	2077	44	46	43½	44¾
52	44	.	...	Freiman, pf.	6	47	44	44	44
11	6	.	...	Frost Steel	12	6	6	6	6
107	100½	7	6.9	Do. pref.	20	102	102½	102	102½
48	40	.	...	Do. pref. A.	....	(45½ bid — asked)			
				G					
18½	8	.	...	Gen. St. Wares	280	12½	12½	12	12½
110	76	.	...	Do. pref.	26	98	90½	90	90
92½	82	2.50+2.50		Goodyear Tire	215	90	89	87½	89
57	53	2.50	4.6	Do. pref.	330	55	55	54½	54½
26¾	13½	.	...	Gt. Lakes Pap.	417	19¾	19½	18½	18½
51	33	.	...	Do. pref.	694	41	43	40	42
3½	1½	.	...	Gt. W. Saddlery	....	(1½ bid 2½ asked)			
40	29½	.	...	Do. pref.	....	(30 bid 37½ asked)			
15½	7½	20c	...	Gurd, Chas.	25	9½	10	10	10
105	95	7	6.7	Do. pref.	....	(100 bid — asked)			
18½	11½	.	...	Gypsum, Lime	1597	12½	13	12½	12½
				H					
18½	12¾	.	...	Ham. Bridge	118	13½	13½	13	13
90¾	63	.	...	Do. pref.	....	(— bid 80 asked)			
40½	30	2+50c▲	6.3	Ham. Cot., pf.	5	40½	31½	31½	31½
3¾	2	.	...	Ham. U. Theat.	....	(1¾ bid 2 asked)			
69	58½	5	...	Do. pref.	....	(60 bid 70 asked)			
7	4½	20c	...	Harding Carpet.	525	5½	5¾	5	5
5	5	.	...	Hillcrest Coll.	....	(— bid 5 asked)			
25	15	.	...	Do. pref.	....	(20 bid — asked)			
22½	19¾	1	5	Hinde & Dauch	135	20	20	20	20
18	14	.	...	Holt Renfrew	....	(14 bid — asked)			
74	56	.	...	Do. pref.	....	(65 bid — asked)			
1.75	.50	.	...	Honey Dew	....	(.60 bid .75 asked)			
15	12	.	...	Do. pref.	....	(7 bid 14 asked)			
34½	18½	.	...	H. Smith Pap.	601	28½	30	28	29
105	99½	6	5.8	Do. pref.	100	103	103	103	103
32¾	28	2	6.7	Humberstone S	25	28	28	28	28
19	11½	.	...	Hunts (A)	4	13½	13	13	13
18	12	.	...	Do. (B)	18	13	13	13	13
95	72	5	5.4	Huron & E. Mt.	12	94	93	92	93
15½	11	.	...	Do. 20% pd.	2	14	13	13	13
13½	8½	20c	...	Hydro Electric	....	(7½ bid 8½ asked)			
				I					
251½	223	10	4.4	Imperial Bank	73	225	227	224½	225
24¾	20	50+75c	6.2	Imperial Oil	11186	20¾	20¾	20½	20½
15½	13¾	40+22½c		Imperial Tob.	2548	14½	15	14½	14½
7½	7	6%	...	Do. pref.	5	7½	7½	7½	7½
38¾	33	1.50	4.2	Indust. Accept.	85	35½	36	35½	36
39½	34	2	...	Inter-City Bak.	....	(32 bid 35 asked)			
46	37½	5+2	...	Inter'c Coal	....	(44 bid — asked)			
130	130	8	6.2	Do. pref.	....	(130 Mar. 10)			
†.20	.20	.	...	Int. Coal & C.	....	(.10 bid — asked)			
b16¾	8½	.	...	Int. Hyd. E. A.	7100	10¾	11½	10	10¾
18½	11	.	...	Int. Metal Ind.	755	12½	13	12½	13
108	90½	.	...	Do. pref.	57	98	99¾	95	95
105	98	5	5	Int. Mill., pf.	82	102	102	98	101½
73½	54	2	3.5	Int. Nickel	24817	57½	59	55½	57¾
11	6	.	...	Int. Paints	....	(— bid 7 asked)			
20	18	75c	...	Do. pref.	....	(18 bid 19 asked)			
b24¾	16½	.	...	Int. Pa. & P. A.	1600	17½	18	17½	17¾
b18	10½	.	...	Do. (B)	1000	12½	12½	11¾	12½
b9½	5¾	.	...	Do. (C)	6400	6½	6¾	6¾	6½
b121¾	90½	.	...	Do. pref.	7100	103½	104½	99½	101½
39¾	33½	1.50+1	7.3	Int. Pete.	5942	33¾	34¾	33¾	34½
12½	5	.	...	Int. Power	125	6	6	5	5
98	88	6	6.8	Do. pref.	18	88½	89	88	89
†15½	13	1.12	...	Int. St. Rly. A.	....	(— bid 14½ asked)			
21½	15½	.	...	Int. Util. (A)	220	16	15½	15½	15½
3.12	1.30	.	...	Do. (B)	1550	1.50	1.50	1.30	1.30
				J					
38	34½	1.75	4.6	Jam. Pub. Ser.	....	(37½ bid — asked)			
132	130	7	5.4	Do. pref.	20	130	130	130	130
				K					
39	27	.	...	Kelvinator	80	31	29	27	27
108	106½	7	6.6	Do. pref.	....	(105 bid 106 asked)			
				L					
43½	29¾	.	...	Lake of Woods	265	30¾	31	31	31
156	143	7	4.6	Do. pref.	20	150	150	150	150
75	55½	5	7.3	Landed Bank	....	(— bid 70 asked)			
22	15½	70c	3.8	Lang, J. A.	10	19	18½	18½	18½
6	4½			Langley's	....	(— bid 5 asked)			
65	50	.	...	Do. pref.	....	(47 bid 55 asked)			
77	66	3	4.5	Laura Secord	4	70	66	66	66
15	8	.	...	Lindsay, C. W.	25	10	8	8	8
78	70	.	...	Do. pref.	10	70	70	70	70
25¾	23	1+12½c	...	Loblaw (A)	365	25	25	24½	24¾
23	21	1+12½c	...	Do. (B)	470	22½	23	22½	22¾
				M					
1.80	1.25	.	...	Mackenzie Air	150	1.25	1.25	1.25	1.25
†10½	2¾	.	...	MacKin. Steel	....	(— bid 9 asked)			
64	60	.	...	Do. pref.	....	(— bid 70 asked)			
37½	27	.	...	Maclaren Pr. p.	1505	29½	32½	29½	31¾
3	1	.	...	M. L. Gardens	274	3	2	2	2
5	2½	.	...	Do. pref.	....	(2½ bid 4½ asked)			
11	4	.	...	Maple Leaf	728	7	6	4	5
12½	5	.	...	Do. pref.	52	7	7	6½	7
17	17	60+10c		Maritime Tele.	....	(16½ bid 17 asked)			
16¾	16½	70c	4.2	Do. pref.	20	..	16¾	16¾	16¾
†18	13	.	...	Marcus Loew's	....	(— bid 20 asked)			
125	120	5.25▲	...	Do. pref.	....	(120 bid — asked)			
16¾	8½	.	...	Massey-Harris	5567	12½	12½	11¾	12½
74	52½	.	...	Do. pref.	1135	65¾	67½	64¾	66½
15	8½	40c	4.3	McColl Fron.	908	9½	9½	9	9½
101	88	6	6.6	Do. pref.	351	90	91	90	90
8	2	.	...	Melchers (A)	56	2½	2	2	2
9½	6½	30c	...	Do. (B)	65	7½	7	6¾	6¾
2	1½	.	...	Mercury Mills	....	(2 bid 10 asked)			
40	20	.	...	Do. pref.	50	33	33	33	33
50	49	2	...	Mitchell, J. S.	....	(50 bid — asked)			
†110	110	7	...	Do. pref.	....	(111 bid — asked)			
30	19	.	...	Mitchell, Robt.	175	21	21½	20½	20½
5½	4½	.	...	Monarch Knit.	8	5	4½	4½	4½
86	60	7	11.7	Do. pref.	60	70	64	60	60
48	36	50c	...	Montreal Cot.	....	(47½ bid — asked)			
110	105	7	6.7	Do. pref.	....	(105 bid 106 asked)			
1½	1	.	...	Mont. Is. Pr.	....	(1½ bid 3 asked)			
37½	29	1.50	4.9	Mont. L. & Pr.	2584	30	30½	29¾	30½
31	28	2	6.4	Montreal Loan	....	(30 bid — asked)			
17	13	1	...	Mtl. Refrig., pf.	....	(2 bid — asked)			
2	1¾	.	...	Do. Vot. Tr.	....	(16¾ bid — asked)			
65	58	3.20	5.1	Montreal Tele.	....	(58 bid 62 asked)			
102	80	9	10.6	Montreal Trams	78	84	85	84	85
45	41	1.60	3.7	Moore Corp.	355	41¾	43	41	43
190	180	7	3.9	Do. pref. (A)	43	185	181	180	180
267	252½	7	2.8	Do. pref. (B)	....	(240 bid — asked)			
1½	1	.	...	Muirheads	....	(.60 bid .85 asked)			
5	5	.	...	Do. pref.	....	(5½ bid — asked)			
				N					
43½	37¾	2	5	Nat. Breweries	1677	39½	40	39½	39¾
43½	39	1.75	4.4	Do. pref.	200	40	40	40	40
11	8½	.	...	Nat. Grocers	985	9½	9½	9½	9½
140	135	7+3.50▲		Do. pref.	....	(135 bid 136 asked)			
21½	18	.	...	N. Sew. Pipe A.	50	19	18½	18	18
57½	39¾	.	...	Nat. Steel Car	995	50	51½	49½	49½
210	201	8	3.9	National Tr.	....	199½ bid 201 asked			
54	40	2	4.6	Niag. W. Weav.	395	43	43	43	43
4	1	.	...	North Star Oil	50	2½	2½	2½	2½
4¾	3¾	35c▲		Do. pref.	20	4¾	4	3¾	3¾
97½	96	5	5.2	N. S. L. & Pr.	....	(— bid 96 asked)			
105	97½	6	5.8	Do. pref.	....	(103½ bid — asked)			
37	9½	.	...	N S. Steel, pf.	....	(— bid 20 asked)			
				O					
300	235	8	3.2	Ogilvie Flour	71	250	250	248	248
168	150	7	4.5	Do. pref.	....	(155 bid 160 asked)			
112	106	5	4.6	Ontario Loan	....	106½ bid 109 asked			
7½	4¾	.	...	Ont. Silknit	700	7	6	6	6
71	64	7	10.9	Do. pref.	....	(— bid 59½ asked)			
18¾	15	.	...	Ont. Steel	....	(13½ bid 16 asked)			
115	114	7+5½▲	6	Do. pref.	10	114	115	115	115
3½	2	.	...	Orange Crush	....	(2 bid 3 asked)			
10	5½	.	...	Do. pref.	50	6	6½	6	6½
100	88	6	6.7	Ott. L. H. & Pr.	10	89	89	89	89
105	102	5	4.9	Do. pref.	....	(— bid 103 asked)			
23½	19½	2	8.9	Ott. Traction	120	23	22½	22½	22½
				P					
109½	98	2.75+25c.		Page-Hersey	305	105	104½	102	103½
9½	5¾	.	...	Pantepec Oil	4150	8½	8	7½	8
20	15	.	...	Paton Mfg.	....	(— bid — asked)			
†110	100	7	...	Do. pref.	....	(110 Nov. 7, '36)			
63½	58	3	5	Penmans	....	(60 bid 62 asked)			
130	125	6	4.8	Do. pref.	10	127	125	125	125
26½	21	1	4.3	Photo Eng.	....	(23 bid 24½ asked)			
102	96	7	7.2	Porto Rico Pr. p	15	100	100	97½	100
33¾	20	25c	...	Power Corp.	608	20½	21½	20½	20½
108	100	6	6	Do. pref.	....	100½ bid 101½ asked			
3¾	2½	.	...	Prairie C. Oil	70	2½	2½	2½	2½
36	28	1	...	Pressed Metals	2	30	29	29	29
53	25	.	...	Price Bros.	2194	41	41¾	39	40
79	64½	.	...	Do. pref.	423	65½	67½	66	67
				Q					
25¾	17	1	5.5	Quebec Power	355	17½	18¾	17½	18¾
4½	4	.	...	Que. Telephone	20	4½	4½	4½	4½
				R					
58	40	2	5	Real Estate L'n.	....	(— bid 90 asked)			
11	8	.	...	Regent Knit	95	10½	10½	10½	10½
23½	19	1.60	7	Do. pref.	140	23	23½	23	23½
4	2½	15c	...	Reinhardt Brew	....	(— bid 4 asked)			
14½	8	.	...	Reliance Grain	175	12	12	12	12
29½	22	60+15c▲		Remington R'd.	35	23¾	23½	22¾	23½
33	30½	2	6.3	River S. Mills	100	30¾	31¾	31½	31½
8¾	6	.	...	Rogers Majest.	....	(5½ bid 6 asked)			
31	26	1	...	Rolland Pap.	....	(30 Apr. 30)			
33	25	.	...	Do. Vot. Trust	10	29½	29	29	29
106½	102½	6	5.7	Do. pref.	15	104	105	105	105
11½	11¾	25c	...	Root Petroleum	....	(6½ bid 10 asked)			
227	198	8	3.9	Royal Bank	170	205	205	203	204
78	56	2.75	...	Russell Motor	....	(70 bid — asked)			
118	110	7	6	Do. pref.	....	108½ bid 114 asked			
				S					
103½	96½	5.50	5.3	Saguenay Pr. p.	251	103	103	102½	102½
22	13	.	...	Sarnia Br. (A)	....	(13 bid 16 asked)			
16	7	.	...	Do. (B)	....	(7 bid 8 asked)			
34	25½	80c	2.9	Shawinigan Pr.	3228	26	27¾	26	27½
30	23	.	...	Sher. Wms.	145	23	24	23½	24
131	127	7	5.5	Do. pref.	....	(— bid 127½ asked)			
16	14	.	...	Simon & Son	....	(— bid 15 asked)			
103½	100	7	6.9	Do. pref.	....	101½ bid 104 asked			
110	97	5	5.6	Simpson, pf.	55	98	99	97	97½
38	20	.	...	Do. (A)	4	25	25½	25½	25½
17	6½	.	...	Do. (B)	....	(7½ bid 9 asked)			
122	109	6	5.2	Simpson, R., pf.	36	114	120	116	116
18½	13	80c	5.9	So. Can. Pr.	337	14	14	13½	13½
108	104	6	5.7	Do. pref.	11	105	105	105	105
15½	8½	.	...	St. Law. Corp.	4060	12½	12¾	12	12
39¾	25	.	...	Do. (A)	2475	33	34	33	33½
25	22	1	4	St. Law. Flour	50	24	25	25	25
145	140	7	5	Do. pref.	....	(140 bid 142 asked)			
97	68	.	...	St. Law. Pap. p	336	90	90	87	87
15½	10	.	...	Stand. Chem.	35	15	14	14	14
14½	8	.	...	Stand. Clay	....	(5 bid — asked)			
9½	4¾	.	...	St. Pav. & Mat.	340	5	5¾	4¾	4¾
56	30	.	...	Do. pref.	5	30	31	31	31
49½	45	3+75c▲		Stand. Steel, p.	....	(40 bid 45 asked)			
96½	73	1.75‡	2.2	Steel of Can.	310	79	79	78	79
88½	71	1.75	2.4	Do. pref.	137	73	73½	72½	72½
5	3½	.	...	Sterling Coal	50	4	5	5	5
3½	1		...	Stop & Shop	....	(1 bid 2 asked)			
17	15½	80c	5	Stuart, D. A., pf	....	(— bid 16 asked)			
3¾	3	.	...	Supersilk H.	....	(1 bid — asked)			
85	80	2.50	...	Do. pref.	....	(— bid 85 asked)			
39	33½	1+25c	3.2	Sup. Pete. ord.	210	37	39	34	34
36	33	1+25c	3.5	Do. com.	....	(34 bid 49 asked)			
				T					
16¾	15¾	80c	4.9	Tamblyn	370	16½	16½	16	16½
54	52	2.50	4.8	Do. pref.	8	53	52	52	52
2½	1¾		...	Thayers	75	2	2	2	2
25	17	2.50	...	Do. pref.	24	20	17	17	17
2	1	.	...	Thrift Stores	....	(— bid 1½ asked)			
8	6	.	...	Do. pref.	....	(7 bid — asked)			
14	10	60c	...	Tip Top Tailors	271	12	13	11¾	12
110	104	7	6.4	Do. pref.	65	109¾	108½	108½	108½
6	2	.	...	Tooke Bros.	....	(3 bid 6 asked)			
34¾	20	.	...	Do. pref.	10	24½	20	20	20
46	36	1	2.7	Tor. Elevators	15	38½	37½	37½	37½
52	47	66c	...	Do. pref.	21	50	50½	50½	50½
110	86½	4	3.9	Tor. Gen. Tr.	14	105	103½	101	101
126	120	6	4.8	Toronto Mtge.	....	(123½ bid — asked)			
160	150	7	4.6	Tuckett Tob. p.	8	150	150	150	150
18	9½	.	...	Twin City	....	(— bid 12 asked)			
				U					
19	13	27½c	...	Union Gas	1479	14	14½	13	13
28	20	60c	...	Un. Amuse. A.	....	(22½ bid — asked)			
27	24	60c	...	Do. (B)	....	(— bid 30 asked)			
1.15	.65	.	...	United Distill.	....	(.70 bid .90 asked)			
62½	46	.	...	United Fuel, pf.	135	49½	49	46	46
25	15½	2	11.7	United Secs.	50	16	17	16	17
11½	6	.	...	United Steel	1905	7	7½	6¾	6¾
				V					
8	2	.	...	Viau Bisc.	1	3	2	2	2
60	50	5	10	Do. pref.	....	(— bid 51 asked)			
				W					
35	20	1+25c	3.8	Wabasso Cot.	....	(— bid 33 asked)			
49½	42	2	4.2	Walker-Good.	7017	46½	48¾	46½	47½
20	18½	1	5.3	Do. pref.	952	19½	19¾	19	19½
3½	2	.	...	Walkerville Br.	370	2	2	2	2
5	2½	.	...	Waterloo Mfg.	115	2½	2½	2½	2½
12½	7½	.	...	West. C. Flour	5	7½	7½	7½	7½
90	64½	.	...	Do. pref.	10	64½	68	68	68
71	65	3	4.3	West. Grocers	....	(70½ bid — asked)			
125	115½	7	5.6	Do. pref.	20	117½	125	118½	118
18½	14½	60+10c.		Weston Ltd.	555	15	15½	14½	14¾
106½	99	5	5	Do. pref.	90	100	100	100	100
8	4	.	...	Windsor Hotel	....	(— bid 6½ asked)			
23	11	.	...	Do. pref.	....	(9 bid 16 asked)			
10½	4	.	...	Winnipeg El. A	824	4½	4½	4	4
10	4	.	...	Do. (B)	585	4	4	4	4
44	25	.	...	Do. pref.	25	25	25	25	25
75	53	.	...	Wood, A. & J. p	....	(62 bid 75 asked)			
85	70	.	...	Woods Mfg. pf.	....	(50 bid 75 asked)			
				Z					
7½	3½	.	...	Zimmerknit, c.	180	6	7	7	7
98	92	7	...	Do. pref.	1	98	96	96	96

† 1936.
▲ On account of arrears.
b New York quotations.
‡ Plus extra of $2 paid Feb. 1, 1937.
• Plus stock bonus of 1% paid Jan. 2, and 1% Mar. 26, 1937.

Mining Stock Quotations

WEEK ENDED JUNE 21, 1937

Par Val.	Range 1937 High	Low	Company	Sales	Close June 14 (or last)	High for week	Low for week	Close June 21
1	.10½	.04	Afton	5,500	.04	.04	.04	.04
No	1.90	.88	Aldermac	20,264	1.02	1.04	.95	.96
1	.04½	.02	Alexandria	11,900	.02½	.02¾	.02	.02
No	8.75	5.05	Anglo-Huronian	1,798	5.50	5.50	5.05	5.50
1	1.42	.37	Argosy	7,126	.46	.45	.37	.40
1	1.15	.35	Arntfield	8,600	.41	.41	.35	.40
No	.09	.03	Arno	3,100	.05	.03½	.03½	.03½
1	.15	.07½	Ashley	3,300	.08	.08¾	.08	.08
1	.27	.08	Astoria Rouyn	46,600	.10½	.10½	.08	.08
50c.	.16	.07	Axtec	1,000	.08	.08½	.08	.08
1	.36	.20	Bagamac	3,850	.20	.25	.20	.25
1	1.85	.70	Bankfield	20,604	.85	.85	.70	.77
1	.01½	.01	Barry Hollinger	......	(.01 bid	.... asked)		
1	.65	.25	Base Metals	7,150	.30½	.31	.30	.30½
No	1.75	1.00	Beattie Gold	3,800	1.22	1.22	1.15	1.20
1	.65	.30	Beaufor	5,200	.32	.31	.30	.30
1	1.70	.43	Bidgood Kirk.	61,650	.56	.56	.43	.43
1	.72	.40	Big Missouri	2,300	.48	.45	.41	.41
1	.29	.14	Bobjo	9,600	.15½	.15	.15	.15
1	1.14	.30	Bouscadillac G.M.	11,900	.35	.37	.30	.30
No	9.00	6.40	Bralorne	1,625	7.25	7.00	6.65	7.00
1	.15	.06	Brazil Gold	500	.06	.06	.06	.06
1	.21	.07½	Brett Trethewey	9,700	.08½	.09	.08	.08
1	.13	.03	Brownlee	5,600	.05	.05	.03	.04½
1	12.50	8.25	Buffalo Ankerite	2,265	9.40	9.40	9.15	9.15
No	.06½	.03	Buffalo Can.	3,000	.03	.03½	.03	.03
5	30.00	23.50	Bulolo Gold	888	23.50	24.00	23.50	23.50
No	.23	.10	Bunker Hill	2,200	.13½	.13½	.12	.13½
No	2.30	1.00	Can. Malartic	13,500	1.15	1.15	1.09	1.09
1	1.75	1.45	Cariboo Gold	700	1.65	1.55	1.45	1.45
1	.47½	.18	Cartier Malartic	8,100	.20	.21	.18	.18
1	1.66	.95	Castle Trethewey	6,000	1.00	1.05	.96	.96
1	.65	.30	Cent. Cadillac	2,925	.34	.35	.33	.33
1	.31	.05	Cen. Manitoba	15,000	.05	.06	.05	.05½
1	5.25	2.60	Cen. Patricia	15,765	2.90	3.00	2.65	2.65
1	.43	.12	Cen. Porcupine	7,500	.15	.15	.12	.12½
No	1.47	.60	Chromium	9,850	.83	.82	.78	.78
No	.06	.03	Church M. & Mill	1,700	.03¾	.03¾	.03¾	.03¾
5	10.00	4.00	Coast Copper	35	4.30	4.00	4.00	4.00
1	.03½	.01½	Cobalt Contact	6,000	.01½	.01½	.01½	.01½
5	3.50	2.00	Coniagas	150	2.00	2.75	2.75	2.75
No	2.14	1.05	Coniaurum	1,751	1.10	1.10	1.10	1.10
1	2.70	1.00	Con. Chibougamau	5,275	1.19	1.20	1.05	1.08
25	100.50	72.00	Cons. Smelters	4,921	75.50	78.00	75.00	75.50
1	2.98	.31	Darkwater	36,000	.55	.55	.31	.35
No	51.12	38.25	Dome Mines	3,405	39.00	40.50	39.25	39.37
1	.15	.04	Dom. Explorers	500	.05	.05	.05	.05
1	1.22	.40	Dorval Siscoe	9,950	.55	.54	.45	.49
1	.15	.05½	Duparquet	7,700	.08	.08½	.07	.07½
1	2.05	.79	East Malartic	33,900	1.05	1.05	.79	.79
1	3.65	2.10	Eldorado	31,561	2.70	2.70	2.46	2.50
No	12.87	7.05	Falconbridge	3,345	7.25	7.75	7.20	7.50
1	.54	.09	Federal	50,100	.11	.10½	.09	.10
No	1.59	.70	Francoeur Gold	17,925	.75	.80	.70	.70
1	.30	.07½	Glenora	10,500	.09	.10	.08	.09
1	.65	.30	Gillies Lake	22,350	.40	.41	.32	.32
No	1.02	.45	God's Lake	14,180	.48	.50	.45	.47
1	.30	.07	Goleonda	......	(.05 bid	.08 asked)		
1	.49	.20	Goldale	5,700	.22	.21½	.20	.20
50c.	.39	.12	Gold Belt	2,500	.23	.19	.19	.19
1	.68	.34	Gold Eagle	9,900	.41	.40	.36	.36
1	.22	.08½	Goodfish	10,600	.12	.11½	.08½	.10
1	.63	.12	Graham Bosquet	18,150	.16	.15	.12	.13
1	.57	.20	Granada Gold	5,300	.20	.23	.20	.20
No	.18	.06½	Grandora	....	(.07½ bid	.08½ asked)		
1	.18	.10	Grull Wihksne	....	(.... bid	.10 asked)		
1	1.25	.55	Gunnar Gold	21,350	.70	.68	.55	.66
1	.07	.02	Halcrow Swayze	5,000	.02½	.03	.02	.03
1	3.44	1.30	Hard Rock	31,533	1.50	1.50	1.30	1.30
1	.35	.13	Harker	13,100	.14½	.14½	.13	.13½
5	15.50	10.75	Hollinger	3,177	11.50	11.50	11.00	11.12
1	.72	.33½	Howey Gold	19,325	.35	.37	.35	.36½
No	41.75	27.00	Hudson Bay	2,315	28.00	28.25	27.25	28.00
1	19.25	11.25	Inter. Mining	......	(.12 May 7)			
No	73.25	54.00	Int. Nickel	24,817	57.50	59.00	55.50	57.37
1	.54	.28	Jacola	6,842	.36	.38	.28	.37
1	1.61	.65	Jackwaite	2,400	.77	.77	.65	.65
1	2.15	.90	Jellicoe	39,985	1.01	1.06	.93	.93
1	.59	.18	J. M. Cons. Gold	12,673	.24	.25	.18	.22
1	3.30	2.20	Kerr Addison	41,637	2.35	2.47	2.25	2.35
1	.65	.50	Kerr Lake	......	(.35 bid	.79 asked)		
1	.55	.20	Kirk. Gold Rand	383	.35	.35	.20	.20
1	2.65	1.35	Kirk. Hud. Bay	7,810	1.70	1.90	1.75	1.75
1	1.70	.90	Kirkland Lake	57,235	1.25	1.32	1.21	1.23
1	.55	.21	Kirk. Townsite	5,400	.22	.23	.22	.22
1	1.10	.50	Laguna	1,200	.50	.50	.50	.50
1	59.50	46.50	Lake Shore	4,862	46.50	49.87	47.37	48.75
1	.28	.04	Lamaque Contact	33,010	.05	.05½	.05	.05
1	1.33	.63	Lapa Cadillac	17,300	.78	.77	.71	.75
1	1.05	.73	Lava Cap	10,900	.85	.87	.82	.86½
1	.30	.12	Lebel Oro	42,224	.13	.15½	.12	.13
1	.07½	.03	Lee Gold	6,800	.03	.03	.03	.03
1	1.35	.50	Leitch Gold	9,930	.57	.60	.50	.51
No	8.40	5.00	Little Long Lac	4,535	5.10	5.35	5.00	5.10
1	8.60	4.65	Macassa	18,554	5.20	5.15	4.65	4.65
1	1.26	.63	Madsen Red Lake	11,100	.63	.72	.66	.66
1	.36	.11	Maralgo	14,830	.13½	.14	.11	.13
1	.04½	.01½	Malrobic	10,000	.01½	.02	.01½	.01½
No	.69	.20	Mandy	4,700	.25	.26	.25	.26
No	.16	.02½	Man. & Eastern	10,500	.02¾	.03	.02½	.02¾
1	.44	.03	May Spiers	14,100	.04½	.04	.03¾	.03¾
5	42.25	32.75	McIntyre	1,541	35.00	34.50	33.50	34.25
1	2.03	1.04	McKenzie R.L.	7,960	1.12	1.23	1.11	1.11
1	.65	.55	McKinley	70	.65	.65	.65	.65
No	4.85	1.65	McLeod Cockshutt	27,652	2.12	2.10	1.92	1.95
No	1.21	.45	McWatters	6,250	.50	.50	.45	.45
1	.57	.17	McVittie	39,655	.25	.37	.25	.33
5	2.00	1.50	Mentor Exp. & Dev.	.....	(1.25 bid	2.00 asked)		
No	5.00	2.75	Mining Corp.	14,082	2.80	2.90	2.75	2.75
No	.33½	.12½	Minto Mines	7,700	.17	.16	.14	.15
1	.08	.02½	Moffatt Hall	2,500	.03	.03	.03	.03
1	.88	.25	Morris Kirk.	13,450	.31	.31	.25	.27
1	1.97	1.05	Moneta	21,542	1.29	1.34	1.16	1.25
1	.45	.15	Montague	100	.15	.15	.15	.15
1	.10	.03	Murphy	10,850	.03½	.03½	.03½	.03½
1	1.05	.33	Naybob	49,200	.33	.42	.36	.36
No	.12	.03½	Newbec	3,500	.04	.04	.03½	.03½
1	1.49	.47	New Golden Rose	3,870	.53	.51	.47	.50
1	.05	.01½	Night Hawk Penn.	4,000	.02	.02½	.01½	.01½
5	3.60	2.35	Nipissing	1,025	2.85	2.55	2.45	2.50
No	83.00	57.25	Noranda	5,427	60.12	59.50	57.25	57.50
No	.95	.70	Nor. Canada	5,262	.76	.76	.70	.72
1	.16½	.05	Norgold	5,000	.06½	.06	.05	.05
1	1.75	1.20	Normetal Mining	3,950	1.45	1.45	1.35	1.40
1	13.25	6.50	O'Brien	39,055	3.20	8.35	7.10	7.10
1	1.28	.45	Omega	16,750	.55	.55	.50	.52
1	2.20	1.00	Oro Plata	2,300	1.00	1.00	1.00	1.00
1	.30	.15	Osisko	......	(.10 bid	.16 asked)		
No	4.05	2.00	Pamour	7,620	2.15	2.20	2.00	2.00
1	1.10	.49	Pandora	4,000	.60	.60	.52	.50
1	.42	.15	Parkhill	14,891	.18½	.18½	.15	.16
1	3.80	1.90	Pato Cons. G.	3,350	2.00	2.10	2.00	2.10
1	.41	.15	Partanen Gold	5,650	.18	.18	.15	.15
1	.06	.02	Pawnee Kirk.	1,200	.02½	.02½	.02½	.02½
1	.46	.15	Paulore	4,100	.18	.18	.16	.16
1	1.38	.50	Paymaster	29,251	.55	.57	.50	.52
1	.34	.23	Payore	16,850	.32	.32	.27½	.28
1	6.60	2.55	Pend Oreille	13,230	3.80	3.85	3.45	3.65
1	2.51	.80	Perron Gold	14,900	1.00	1.00	.80	.83
1	.03	.01½	Peterson Cobalt	7,540	.01½	.01½	.01½	.01½
1	9.20	5.20	Pickle Crow	10,250	6.30	6.20	5.80	5.80
1	6.85	3.75	Pioneer Gold B.C	2,755	4.00	3.90	3.75	3.75
1	17.00	15.00	Placer Development	.....	(14.50 bid	18.00 asked)		
1	.11	.03½	Porcupine Crown	12,400	.05	.05	.03½	.03½
1	2.20	.92	Powell Rouyn	6,150	1.05	1.03	.92	.92
1	4.50	1.95	Premier Gold	8,285	2.30	2.30	1.95	2.00
1	1.47	.65	Preston E. Dome	42,650	.88	.90	.65	.67
No	1.55	1.10	Prospectors Air's	2,300	1.40	1.40	1.40	1.40
1	.88	.40	Quebec Gold	800	.55	.42	.40	.40
No	.48	.08	Quemont	1,500	.15	.13	.08	.08
1	6.85	3.30	Read Authier	3,500	3.70	3.60	3.30	3.35
1	2.00	.66	Red Crest	1,900	.90	.85	.66	.66
1	1.78	.30	Red Lake	59,050	.41	.40	.30	.30
No	1.52	.75	Reeves McDonald	1,700	.95	.95	.75	.80
1	1.35	.76	Reno Gold	13,020	.82	.81	.76	.76
1	.22	.09	Reward	18,600	.09½	.10	.09½	.10
1	.16	.04	Ritchie	9,100	.05	.05	.04	.04
1	.12½	.03½	Robb Montbray	8,000	.04½	.05	.04	.05
1	.48½	.10	Roche Long Lac	12,500	.10	.11½	.10	.10
1	2.40	1.25	San Antonio	3,950	1.45	1.40	1.35	1.39
1	1.13	.50	Shawkey	9,150	.54	.52	.50	.50
50c.	.83	.57	Sheep Creek	700	.81	.80	.80	.80
1	4.00	1.80	Sherritt Gordon	21,672	2.40	2.50	2.32	2.35
1	6.65	3.50	Siscoe	23,855	3.50	3.75	3.50	3.60
1	2.50	.87	Sladen Malartic	37,820	1.11	1.15	.87	.87
1	2.50	.70	Slave Lake	7,360	.90	.90	.70	.70
No	.05½	.01½	South Tiblemont	1,390	.02	.05	.01½	.03½
No	2.90	.90½	Stadacona	80,485	1.45	1.47	1.35	1.35
1	.32	.13	St. Anthony	13,700	.17½	.17½	.14	.14
No	6.90	3.15	Sudbury Basin	1,895	3.70	3.60	3.15	3.25
1	.40½	.18	Sudbury Contact	4,500	.20	.20	.18	.18
1	2.25	1.05	Sullivan Cons.	16,020	1.28	1.30	1.17	1.18
1	4.80	2.70	Sylvanite	3,360	3.00	3.15	3.00	3.10
1	.29	.08	Tashota	14,100	.10	.09	.08	.08
1	6.10	4.70	Teck Hughes	5,835	4.70	4.90	4.75	4.85
1	2.15	.60	Thomp Cadillac	22,348	.70	.70	.60	.60
1	.65	.20	Temiskaming	30,850	.33	.35	.28	.28
1	4.60	2.10	Toburn Gold	1,580	2.40	2.40	2.15	2.25
1	2.00	.88	Towagmac	1,300	.95	1.00	.95	.95
1	2.60	.50	Treadwell	......	(.35 bid	.60 asked)		
1	.65	.50	Uchi Gold	10,100	.....	.65	.50	.60
No	9.10	6.75	Ventures	2,256	7.50	7.90	6.75	6.75
No	4.65	2.35	Waite Amulet	4,274	2.75	2.75	2.55	2.60
No	.05	.02	White Eagle	4,500	.02½	.02½	.02	.02
1	.30	.10	Whitewater	4,100	.14	.13	.10	.10
1	.17	.04½	Wiltsey Coughlan	500	.04½	.04½	.04½	.04½
1	.77	.34	Wood Cadillac	15,150	.40	.42	.34	.36
No	8.20	5.95	Wright-Hargreaves	18,932	6.00	6.10	5.95	5.95
No	.53	.22	Ymir Girl	1,550	.25	.25	.22	.22

OIL STOCKS

Par Val.	Range 1937 High	Low	Company	Sales	Close June 14 (or last)	High for week	Low for week	Close June 21
No	.22	.10	Acme Gas & Oil	3,250	.12	.13½	.12	.12½
1	.57	.29	Ajax	800	.35	.38	.38	.38
1	.95	.29	Alta. Pac. Cons.	12,790	.38	.50	.38	.50
1	1.10	.20	British Dominion	18,800	.30	.45	.35	.42
No	.65	.55	Brown Oil	50,150	.60	.63	.55	.57
No	6.55	2.00	Calgary & Ed.	48,785	3.25	3.45	3.10	3.35
1	1.75	.40	Calmont	66,284	.70	.92	.74	.89
No	.95	.24	Common Pete	4,480	.44	.48	.44	.45
No	3.60	.55	Dalhousie	58,158	.90	1.15	.93	1.10
No	.45	.10	Eastcrest	21,300	.17½	.20	.17½	.18½
No	3.35	.90	Foothills	16,190	1.27	1.60	1.25	1.46
No	1.20	.20½	Foundation Pete	86,700	.37½	.50	.37	.49
No	.39	.16	Hargal	8,850	.17	.24	.17	.24
No	.90	.15	High Sarcee	38,100	.28½	.33	.28½	.32
No	4.05	1.35	Home	72,855	2.25	2.55	2.16	2.40
1	.87	.31	Homestead O.&G.	13,700	.50	.50	.45	.46
No	.70	.50	Hunter Valley	......	(1.50 May 19)			
No	.16	.15	Do Warrants	......	(... bid	.15 asked)		
No	.90	.20	Lowery	1,500	.30	.35	.35	.35
No	.63	.26	Mercury	21,120	.37	.45	.37	.42
No	.44	.18	McD. Segur Ex.	30,100	.24	.44	.26	.41
No	.39	.10	Merland	8,500	.14	.16	.13	.15
1	1.15	.38	Model	6,200	.60	.70	.63	.65
5	.49	.15	Nordon	17,800	.16	.19½	.17	.19
No	.12	.04	Oil Selections	1,172	.04½	.08	.04½	.08
No	4.10	1.05	Okalta	24,871	2.24	2.55	2.20	2.56
No	.12	.03½	Olga Gas & Oil	6,900	.04	.04½	.03½	.03½
No	.43½	.10	Pacalta	322,700	.17	.26	.16	.24
1	.70	.60	Petrol Oil & Gas	......	(.60 bid	.65 asked)		
No	60.00	34.50	Royalite	3,761	40.00	43.50	41.00	42.00
No	2.00	.50	South West Pete	3,650	.75	.90	.80	.90
1	.68	.25	Spooner Oil	10	.25	.25	.25	.25
No	2.35	1.50	Texas Can.	4,640	1.82	1.82	1.70	1.70
No	.70	.17	United Oil	118,700	.30	.37	.30	.36½
1	2.25	1.00	Vulcan	9,050	1.55	.25	1.59	2.20

VANCOUVER STOCK EXCHANGE

Par Val.	Range 1937 High	Low	Company	Sales	Close June 14 (or last)	High for week	Low for week	Close June 21
50c	.15	.08	Aztec	3,200	.08	.08	.08	.08
25c	.02	.00½	Bayview	......	(.... bid	.00½ asked)		
20c	.04	.01	Beaver Silver	2,000	.01½	.01½	.01½	.01½
1	.70	.42	Big Missouri	5,700	.50	.48	.42	.42
25c	.07½	.02½	Bluebird	500	.03½	.03½	.03½	.03½
No	9.00	6.10	Bralorne	2,176	7.00	7.10	6.85	7.10
1	.07½	.03	Bridge River Cons.	800	.03½	.03	.03	.03
50c	.19	.08	B.R.Mountain Gold	.....	(.08 May 29)			
1	.40	.17	B.C. Nickel	17,400	.22	.23	.21	.22
1	3.85	2.00	B.C. Silver	500	2.00	2.00	2.00	2.00
50c	.04½	.03½	Canadian Rand	......	(.03½ Apr. 14)			
1	1.79	1.45	Cariboo Gold	1,055	1.65	1.53	1.50	1.50
1	.14	.03½	Congress Gold	14,500	.03½	.03½	.03½	.03½
25c	.05	.01	Cork Province	......	(.01½ bid	.02 asked)		
No	.28	.13	Dentonia	9,700	.14	.14	.13	.13
1	.05	.03	Dunwell	......	(.02 bid	.03½ asked)		
No	.18	.06	Fairview Amal.	12,033	.07	.07	.06	.06½
50c	.69	.38	Fawn Mining	......	(.38 Mar. 18)			
1	.06½	.02½	Federal Gold	18,700	.03	.03½	.02½	.02½
1	1.43	.38	George Copper	500	.45	.40	.40	.40
50c	.06½	.02½	George Enterprise	......	(.03 bid	.03½ asked)		
1	.05	.01½	Georgia River	8,500	.02½	.02½	.01½	.01½
...	.03½	.01	Glacier Creek	......	(.00½ bid	... asked)		
1	.29	.07	Golconda	1,000	.07	.07	.07	.07
50c	.37	.11½	Gold Belt	9,300	.22	.24	.20	.23
50c	.43	.04	Gold Mountain	52,800	.05	.05½	.04	.04
50c	.30	.11½	Grandview	16,900	.16½	.16½	.15	.16½
No	.03½	.01	Grange Mines	......	(.01½ bid	.02 asked)		
1	.18½	.07	Grull Wihksne	7,100	.08	.08	.07	.07
No	.65	.00½	Haida Gold	......	(.01 bid	.01½ asked)		
25c	.26	.20	Hecla Mining	......	(.25 Mar. 30)			
No	.13	.03	Hedley Sterling	......	(... bid	.03 asked)		
No	.04½	.02	Home Gold	4,080	.02	.02	.02	.02
1	.04½	.02½	Independence	......	(.03½ Feb. 11)			
1	.08	.02	Indian Mines	10,000	.02½	.02	.02	.02
50c	1.18	.55	Island Mountain	1,400	.55	.70	.55	.70
1	.22½	.21	Inter'tl Coal	2,000	.21	.21	.21	.21
50c	.06½	.03	Inter'tl Gold	1,000	.05	.03	.03	.03
50c	.90	.77	Kootenay Belle	1,700	.80	.78	.77	.77
20c	.07	.01½	Koot. Florence	3,000	.01½	.01½	.01½	.01½
25c	.04½	.01	Kootenay King	......	(.01 bid	.01½ asked)		
1	.03½	.00¾	Lakeview	1,000	.01½	.01¾	.01¾	.01¾
10c	.19½	.05½	Lucky Jim	20,080	.06½	.06	.05½	.05½
No	.07½	.02½	Mak Siccar	1,000	.02½	.02½	.02½	.02½
50c	.02½	.00½	Marmot Metals	......	(.00½ bid	.01 asked)		
1	.19½	.18	McGillivray Creek	......	(.19 bid	... asked)		
5c	.17	.12	Meteline	......	(.12 May 16)			
50c	.06½	.01	Meridian Min.	1,800	.01	.01½	.01½	.01½
No	.38	.13	Minto Mines	74,800	.14	.15½	.13	.13½
1	.05	.01	Morton Woolsey	......	(.01½ May 20)			
50c	.15½	.04	Nicola	13,200	.05	.05	.04	.04
50c	.17	.05	Noble Five	12,800	.05½	.05½	.05	.05½
1	6.75	2.65	Pend Oreille	1,200	3.70	3.60	3.45	3.45
No	.07½	.02½	Pilot Gold	5,500	.03	.03½	.02½	.03½
1	6.75	3.75	Pioneer Gold	......	(3.00 bid	4.00 asked)		
50c	.15	.04½	Porter Idaho	2,000	.04½	.04½	.04½	.04½
No	.05½	.01½	Premier Border	9,000	.01½	.01½	.01½	.01½
1	4.80	1.95	Premier Gold	11,720	2.25	2.30	1.95	2.08
1	.15	.03	Quatsino Copper	9,000	.04	.04½	.04	.04½
25c	.17	.08	Quesnelle Quartz	4,200	.10	.09	.08	.08
1c	.05½	.02	Reliance	26,000	.02½	.02½	.02	.02
1	.37	.17	Relief Arlington	1,200	.19	.17	.17	.17
No	1.90	.72	Reeves McDonald	3,600	.90	.75	.72	.72
1	1.31	.75	Reno Gold	3,000	.80	.77	.75	.77
1	.20½	.06	Reward Mining	14,100	.10	.10½	.09¾	.10½
1	.09½	.02½	Rufus Argenta	3,600	.02½	.03	.02½	.02½
1	.11½	.02½	Ruth Hope	2,000	.02½	.02½	.02½	.02½
1	.12	.05	Sally Mines	......	(... bid	.05 asked)		
50c	.15	.08	Salmon Gold	4,700	.09	.10	.08½	.09
50c	.83	.58	Sheep Creek	1,500	.80	.80	.79	.80
1	3.20	2.50	Sihak Premier	......	(2.50 May 28)			
25c	.14½	.04½	Silvercrest	......	(... bid	.07 asked)		
20c	.10	.02	Silversmith	500	.02	.02	.02	.02
1	.63	.40	Standard Silver	......	(.39½ bid	.42 asked)		
...	.75	.20	Sunloch	1,100	.25	.25	.20	.20
10c	21.00	19.75	Sunshine	......	(19.75 Apr. 16)			
No	.13	.05	Taylor Bridge	2,000	.06	.05	.05	.05
1	.14	.08	Taylor Windfall	......	(.10½ Apr. 29)			
No	1.05	.30	Vidette Gold	6,600	.41	.42	.32	.32
No	.06½	.01	Viking Gold	4,000	.01½	.01½	.01½	.01½
50c	.03	.00½	Waverley Tangier	2,000	.00½	.00½	.00½	.00½
50c	.08½	.03½	Wayside	......	(.04 May 5)			
20c	.13½	.03½	Wellington	2,000	.04½	.03½	.03½	.03½
50c	.50	.15	Wesko	7,600	.18	.16½	.15	.15
1	.42	.10	Whitewater	11,000	.12	.12	.10	.11
No	.50	.25	Ymir Yankee Girl	400	.25	.25	.25	.25

OIL STOCKS

Par Val.	Range 1937 High	Low	Company	Sales	Close June 14 (or last)	High for week	Low for week	Close June 21
1	1.09	.26	Alta. Pac. Cons.	26,410	.39	.50	.42	.48
1	.14½	.06	Amalgamated	4,000	.06	.07	.06	.06½
1	.64	.07½	Anaconda	78,000	.22	.25	.15	.15
No	.45	.07	Associated Oil	2,100	.15	.14	.08	.08
No	.24	.04½	Baltac	22,300	.07	.09½	.08	.09
No	6.50	2.15	Calgary & Ed.	15,265	3.15	3.45	3.10	3.30
1	1.84	.43	Calmont	18,275	.75	.90	.80	.89
1	.90	.26	Commonwealth	13,100	.45	.49	.43	.48
1	1.05	.15	Brit. Dominion	7,700	.27	.45	.37	.43
1	.13	.05½	Crow's Nest	3,500	.05½	.06	.05½	.05½
No	3.55	.71	Dalhousie	1,045	.85	1.09	1.00	1.00
No	.24	.05	Devenish	25,600	.06	.09	.06	.08½
No	.45	.13½	Eastcrest	1,580	.18	.18½	.18	.18
No	.96	.23	Foundation Pete	25,200	.37	.50	.39	.49
No	.44	.09	Freehold	61,045	.12	.14½	.11½	.14
No	.40	.10	Hargal	5,600	.18	.24½	.22	.24½
No	.91	.14	High Sarcee	7,500	.31	.38	.30	.31
No	4.10	1.50	Home Oil	4,086	2.25	2.48	2.30	2.30
No	.88	.21	Lowery	2,440	.30	.33	.30	.32
No	.35	.04½	Madison	136,500	.12	.14½	.10½	.12
No	.50	.15	Marjon Oil	26,900	.20	.25	.20	.25
No	.78	.18	McD. Segur Ex.	63,000	.26	.41	.28	.36
1	1.60	.40	McLeod	1,200	.54	.55	.50	.55
No	.83	.22	Mercury	35,775	.37	.42	.38	.41½
No	.39	.12	Merland	3,000	.14	.15	.15	.15
No	.65	.16	Mill City Pete	15,400	.25	.30	.26½	.30
No	.65	.08	Midwest Pete	665	.12	.14	.10	.10
1	1.15	.44	Model	7,200	.61	.69	.62	.65
25c	.25	.23	Monarch Royal	18,000	.32	.43	.39½	.41
5	.48	.16	Nordon	6,000	.17	.20	.17	.19
No	4.00	.85	Okalta	......	(2.48 bid	2.50 asked)		
No	.44	.11½	Pacalta Oil	36,700	.19	.25	.17½	.25
1	1.50	.28	Ranchmen's	30,700	.41½	.42½	.40	.41
No	60.00	34.00	Royalite	88	42.00	42.50	41.00	41.00
No	2.00	.45	Southwest Pete	900	.70	.80	.75	.80
1	.75	.25	Spooner	2,450	.30	.39	.28	.39
No	.72	.16½	United	41,000	.31	.38	.31	.36½
No	.38	.05	Vanalta	6,520	.12	.15	.13	.14
1	3.05	.95	Vulcan	......	(1.85 bid	1.87 asked)		

Corporation Bonds

(Supplied by Investment Dealers' Association of Canada)

June 22, 1937

Public Utility Issues:	Int. Rate %	Due	Bid June 22	Asked	Bid June 15
†Assoc. Tel. & T.	5½	'55	81	84	82
▲Avalon Tel.	5½	'48	101½	...	101½
Beauharnois P.	5½	'73	56½	59½	54½
‡Bell Telephone.	5	'55	113½	116½	114
‡Do.	5	'57	118½	121½	118½
B. C. Power	4½	60	98	101	97
B. C. Tele.	4½	'61	104½	107½	104
‡Calgary Pwr.	5	'60	96	99	95
‡Do.	5	'64	94½	97½	94½
†Can. Nor. Pwr.	5	'53	102½	105½	102½
‡Dom. Gas & El.	6½	'45	91	94	90½
‡Gatineau Power	5	'56	101	104	101
‡Do., A	6	'41	100½	103½	101
‡Do., B	6	'41	100½	103½	101
Gt. Lakes Pwr.	4½	'56	93	96	92
‡Inter. Hydro-El.	6	'44	75	78	75
‡Inter. Power	6	'57	97	100	97½
‡Do.	6½	'57	99	102	99½
▲Do.	6	'55	100½	103½	100½
†Macl-Que. Pwr.	5½	'61	98½	101½	97½
†Do.	5½	'64	98	101	97
†Mtl. Island Pr.	5½	'57	103½	106½	103½
†Mtl. L., H. & Pr.	3½	'56	99	102	99
†Mtl. Tramways	5	'41	98½	101½	99
†Do	5	'55	74½	77½	75½
Nfld. L. & P.	4½	'56	99	102	98½
Nat'l. L. & P.	6	'49	95	98	95½
N. S. L. & P.	4	'57	97½	100½	97½
†Ottawa L.H.&P.	5	'57	105½	...	105½
†Ottawa Val. Pr.	5½	'70	104	107	104
†Power Corp.	4½	'59	98	101	98
‡Quebec Power	5	'68	103	106	103½
Saguenay Pr., B	4½	'66	101½	104½	102
*Do., A	4½	'66	100	103	100½
†Shaw. W. & Pr.	4	'61	98	101	97½
†Do.	4½	'70	102½	105½	102
†United Secs.	5½	52	72½	75½	73
†West. Pwr. Co.	5	'49	104	107	104
‡Winnipeg Elec.	4½	'60	104	107	103½
‡Do., A	4	'65	72½	75½	74½
‡Do., B	4	'65	59½	62½	60½
Industrial and Realty Issues:					
†Abitibi P. & P.	5	'53	95½	98½	97½
Acadia Sugar	4½	'55	99	102	99½
†Alta. Pac. Grain	6	'46	95½	98½	96½
B. A. Oil	4	'45	102½	105½	102½
Canada Bread	6½	'41	107½	110½	107½
†Canada Cement	4½	'51	103½	106½	103
†Canada Paper	4½	'52	97	100	96½
Can. Steamship	6	'41	64½	67½	65
Can. Canners	4	'51	98½	101½	99
Can. Bakeries	6½	'45	100½	...	100½
‡Can. Inter. Pap.	6	'49	100½	103½	101
C. P. R.	3½	'51	99½	102½	99½
Do.	4	'49	102	105	102½
Do.	4½	'44	101½	104½	101½
Do.	4	Perp.	94½	95¾	94½
†Can. Vickers	6	'47	97½	100½	95½
†Consol. Paper	5½	'61	88	91	89½
‡Dominion Coal	6	'55	101½	104½	101
Dom. Sq. Corp.	6	'48	70	73	70½
▲Dom. Stl. & C.	6½	'55	102½	105½	102½
Dom. Tar	4½	'51	99½	102½	99½
Dom. Textile	4½	'55	105	108	105
†Donnacona P.	4½	'56	84	87	84
†Famous Players	4½	'51	95½	98½	96
†Federal Grain	6	'49	99	102	99
†Fraser Cos.	6	'50	103	106	103
†Gen. Stl. Wares	4½	'52	95	98	95
Great Lakes P.	5	'55	94	97	93½
†Gypsum, L & A	5½	'48	101	104	101½
†Gr. Br. & Can. Invest.	4½	'59	87	100	87
Hamilton Cot.	5½	'48	103	106	103
Ham. By-Prod. Coke	5	'50	98	101	98½
Do.	6	'56	98	101	98
†Inter. Paper	6	'55	95	98	96
†Inter. P. & P. Nfld.	5	'68	102½	105½	102½
Inter City Bak.	5½	'48	103½	106½	103½
Inter-City West. Bakeries	6½	'50	54	57	56
†Kingston Elev.	6	'50	99	102	98½
Lake St. John P. & P.	5½	'61	100½	103½	100½
Do.	5	'61	82	85	83
†Lond. Can. Inv.	4½	'48	93½	96½	92
†Massey-Harris	5	'47	96½	97½	96½
†McColl.-Front.	6	'49	101½	104½	101½
†Mersey Paper	6	'49	99	102	99
‡M. & O. Paper	6	'45	65½	68½	68
Nat'l Grocers	4	'47	99	102	99
†N. A. Elevators	6	'50	96½	99½	96
Nor. Ont. Bldg.	6½	'39	97½	100½	98
†Price Bros.	5	'57	99½	102½	99½
‡Prov. Paper	5½	'47	102½	...	102½
Queen's Hotel	6	'47	99	102	100
‡Reliance Grain	4½	'52	98½	101½	98
†Restigouche Co.	6	'48	114	117	114
Rich. Bay Bldg.	6½	'47	99½	102½	100
†Rolland Paper	4½	'51	102½	105½	102½
Ruddy & Co.	6½	'48	98	101	98
†Simpsons Ltd.	4½	'51	94	97	94
†Smith, Howard	4½	'51	102½	105½	102
†Steel of Canada	6	'40	110½	113½	110½
Sterling Coal	6	'40	94	97	94
*Twin City	5½	'52	76	79	75½
United Amuse.	5	'56	98½	101½	93½
United Corp.	5	'53	98	101	98
Unit. Grain Gr.	5	'48	94½	97½	94½
Do.	5½	'49	95½	98½	96
•Union Gas	4½	'50	98½	101½	98½
▲Wabasso Cot.	4½	'51	97	100	96
Windsor Hotel	6½	'43	80	82	80½
Do.	6	'47	41½	44½	41½
Zimmerknit	6	'51	100	...	100

‡Payable in Can. or U. S. †Payable in Can., U. S. or U. K. ▲Payable in Can. or U. K. *Payable in U. S. only.

Unlisted Mines

June 22, 1937

	Bid	Asked
Alden Gold	..	.13
Albany River	.38	.40
Algold	.32	.34
Amm Gold	.17	.20
Armistace	.13	.16
Arno	.02½	.03½
Athona	.18	.20
Area	.03¼	.03½
Augite	..	.18
Bailor	.03	.03½
Bar Lar	.18	.20
Bathurst	.02	.03
Big Master	.04½	.05
Bidla'que	.10	.12
Bilmac	.10	.12
Baldwin	.02	.02½
Bousquet	.02	.02½
Cuniptau	.04½	.05½
Cald Bous	..	.10
Cal Flin Flon	.04½	.05
Can. Pan.	.10	.11
Can Kirk.	.02¼	.02¾
Candalaca	.40	.44
Casey Con.	.01	.01½
Chesterville	..	1.40
Coin Lake	.11	.12
Condor	.03½	.04½
Con. Kirk.	.21	.24
Cooke Lake	..	.30
Cres Kirk.	..	.04
Dawson W.	.12	.14
Dem. Cad.	..	.08
Dennison N.	..	.40
Desantis	.26	.28
Doreva	.35	.40
Delosha P.	.15	.17
Dunlop N.	.05	.06
El Bonanza	.09	.11
Electra Porc.	.08	.11
Eva Lake	.10	.12
Elmos	.15	.19
Faulkenham	.32	.37
Fernland	.14	.17
Fleming	.20	.25
Franklin	.01¼	.02
Frontier	.13	.14
Garnet	.02	.02½
Galatea	.03½	.04½
Gold Range	.02¾	.03½
Goldside	.04	.04½
Gold Gate	.38	.41
Gordon Lebel	.08	.10
Hudson Pat.	.03	.03½
Hislop	.13	.15
Horseshoe	.02	.02½
Hut. Lake	.12	.14
Hugh Pam.	.13	.15
John Nip.	.04½	.05½
Jedder	..	.08
Kw. Crow	.08	.10
Kenecho	.11	.13
Kenricia	..	.43
Kew'Gama	.38	.40
King Kirk.	.02	.03
Kir-Vit.	.14	.16
Kirk. Hut.	.02	.02½
Kirk. Gate	..	.11
Lafayette	.02¼	.02¾
Lake Geneva	.59	.61
Lamaque	6.75	7.25
Lardego	.04½	.05
Lavalie	.30	.35
McQuaig	..	.09
Mag Lake	.03	.04
Mag Cons.	.13	.18
Manco	..	.02½
Mal. Gold	.25	.30
McNeeley	.04½	.05
Mart. Bird	.59	.61
Margaret	.30	.33
Maritime	..	.19
Mat. Can.	.10	.12
Moffatt N.	.06	.07
McFarlane	.07½	.08

Unlisted Stocks

(Furnished by A. J. Pattison Jr. & Co., Toronto)

June 22, 1937

Industrial Stocks:	Bid	Asked
Acadia Sugar pfd.	4.25	4.75
Acme Farmers Dairy, pfd.	46.00	51.00
Algoma Steel, com.	....	11.00
Do., pfd.	65.00	68.00
Andian Nat	49.00	49.75
Assoc. Tel. & Tel., pfd.	39.00	41.00
B. C. Pulp, pfd.	85.00	90.00
Do., com.	24.50	25.50
Brandram-Henderson, com.	5.50	....
Do., pfd.	18.00	....
Burns & Co., A	10.75	12.00
Do., B	5.00	6.00
Can. Tube & Steel, 1st pfd.	75.00	77.00
Do., com.	8.00	9.00
Can. Wire & Cable, pfd.	111.00	114.00
Can Airways	6.00	7.00
Can. Industries, A com.	238.00	....
Can. Ingersoll Rand	129.00	132.00
Can. Western Lumber, com.	1.10	1.25
Can Westinghouse	63.50	65.00
Chase, A. W., pfd. bonus	26.25	28.50
Claude Neon Gen. Adv., pfd.	14.20	15.00
Conduits Nat., com.	5.75	6.25
Crescent Creamery, pfd.	35.00	38.00
Dom. Found. & St., pfd.	97.50	100.00
Dominion Woollens, com.	1.00	1.50
Do., com.	4.50	5.50
Dunlop Tire, 7% pfd.	83.50	86.00
Federal Grain, com.	3.00	4.00
Do., pfd.	43.00	45.00
Goderich Elevator	5.00	6.00
Greening Wire, pfd.	104.00	106.50
Guelph Carpet, pfd.	105.50	107.00
Do., com.	25.25	....
Hayes Steel Prod., com.	11.75	13.50
Do., pfd.	8.00	8.75
Highland Dairy, com.	2.50	....
Lake Sulphite Pulp, com.	22.00	23.00
Loblaw's Inc. (U.S.) Units	76.00	....
McCormick's, com.	5.00	8.50
Do., pfd.	15.00	....
Morrison Brass, pfd. bonus	12.00	13.00
Mount Royal Hotel, pfd.	3.50	4.25
New Mth. Laund., pfd. bonus	92.25	96.00
Perfection Pete., pfd.	22.00	25.00
Provincial Paper, pfd.	105.75	107.00
Reliance Grain	97.00	99.00
Rob. Cons. Cone	10.50	11.00
Ruddy, E. L., pfd.	....	35.00
Seal O Sac (Can.)	13.50	15.00
Silverwoods Dairies, com.	1.85	....
Do., pfd.	4.60	5.00
Standard Fuel, com.	6.00	7.00
Do., pfd.	99.00	101.00
Supert. Petrol., B pfd.	26.00	28.00
Toronto Carpet, com.	55.00	....
Do., pfd	60.00	....
United Steel, A pfd.	19.50	21.00
Western Grain, pfd. bonus	10.00	12.00
Weston (Geo.) Foods (Eng.)	3.00	3.50
Wings Limited	1.20	1.40
Trusts and Loan Stocks:		
Chartered Trust	96.00	102.00
Commercial Finance, com.	2.75	2.90
Guelph Ont. Inv., par $50.00	50.00	52.75
London & West. Trust	54.00	57.00
Prudential Trust	5.00	6.00
Sterling Trust	42.00	....
Traders Fin., A com.	21.00	23.00
Do., B pfd. bonus	95.00	98.50
Trusts & Guarantee	30.50	32.00
Insurance Stocks:		
Canada Life	534.00	540.00
Canadian Ins. Shares	16.00	....
Confederation Life, 20% pd.	115.00	117.50
Dominion Fire	134.00	....
Dom. of Can. Gen.	135.00	140.00
Empire Life, 25% pd.	12.50	13.00
Federal Fire, 25% pd.	38.00	....
Great West Life	330.00	345.00
Guar. of N.A., fully pd.	300.00	320.00
Do., 20% pd.	56.00	....
Imperial Life	350.00	365.00
Manufacturers Life	257.00	262.00
Monarch Life, 10% pd.	24.00	....
Soverign Life, 25% pd.	16.25	17.50
Sun Life	600.00	625.00
Western Assurance, com.	51.00	53.50
Do., pfd.	41.00	43.00
Theatre Stocks:		
Allens Kingston, pfd.	68.00	....
Do., Parkdale, pfd.	64.00	....
Do., St. Catharines, pfd.	60.00	....
Do., Tor., pfd. bonus com.	30.00	33.00
Mansfield Theatre, pfd.	29.50	32.50
Paramount Kitchener, pfd.	59.00	62.00
Do., Oshawa, pfd.	90.00	96.00
United Amusement, A	22.00	25.00
Do., B	21.00	23.00
Investment Trust Shares:		
Can. Gen. Invest. Ltd.	10.20	10.40
Can. Investment Fund	4.35	4.70
Can. Investors Corp.	8.75	9.25
Cons. Div. Std. Sec. Units	22.50	23.50
Invest. Found., pfd. bonus	60.00	62.00
Lon. Can. Invest., com.	4.30	4.80
Sec's. Hold., pfd. bonus	21.50	22.00
United Corpns., A	....	24.00
Do., B	22.50	23.00
Power Issues:		
Can. West. Nat. Gas, pfd.	90.50	92.00
Do., com.	27.00	....
Foreign Power Sec's., pfd.	7.50	10.00
Great Lakes Power, pfd.	98.50	100.00
Inter. Util., $1.75 pfd.	15.00	18.00
Montreal Island Pwr., pfd.	17.00	20.00
New Brunswick Tele., com.	13.50	14.25

Winnipeg Stocks

(Transactions from June 14 to June 19)

	Sales	High for period	Low for period	Close June 19
B'ver Lumber, p.	10	97.00	97.00	97.00
Cres. Cream., p.	5	37.00	37.00	37.00
Dickstone Cop.	2,500	.25	.20	.20
Cryderman	500	.02	.02	.02
Flintoba	4,000	.01	.01	.01
Flin Flon	3,500	.06	.05½	.06
Gurney Gold	2,650	.33	.31	.31
Gold Lake	500	.02¾	.02¾	.02¾
Modern Dairy, p.	10	89.00	89.00	89.00
Marvel Oils	4,900	.08	.08	.08
Ore Grande	4,900	.03½	.03	.03
Sachigo	160	11.00	10.50	10.50
Star Lake	3,000	.01¾	.01½	.01½
Scotia Gold	1,000	.02	.02	.02
United Grain	46	11.00	10.00	10.00
Wylie Dom.	1,600	.28	.26	.26
Wingold	3,000	.05	.04¾	.04¾
Wings, Ltd.	1,280	1.35	1.25	1.30
Wpg. R. Tin	3,600	.01¾	.01¾	.01¾

Stocks Not Traded in During Week*

	Bid	Asked
Beaver Fire Insurance	..	100
Can. Indemnity	125	..
Dom. Envelope, pref.	93½	95½
Federal Grain, pfd.	..	25
Home Investment	20	..
Northern Can. Mtge., pf.	3	..
North. Mtge., part pd.	..	3
Northern Trust	6	..
Traders Bldg.	90	..
Western Brew.	1¼	..
West. Steel, pf.	9	12

*Stocks more active on other exchanges not included.

UNLISTED MINES (Continued)

	Bid	Asked
McCarthy Webb	.19	.22
McVittie	.03¾	.04¼
Monarch	.05	.06
Mooshla	..	.20
Mosher	.25	.27
Norlake	.12	.13
North Shores	.02¾	.03¼
Minerals	.09	.11
Oklend	.13	.15
O'Leary	.06	.07
Opem. Cop.	.14	.16
Oriole	.09	.09¾
Ossian	.03½	.04
Osoyoos	.40	.44
Pascalis	.28	.31
Porc. McNabb	.05½	.07
P. United	.06	.07
Plains P.	4.25	2.50
P G. Reef	..	.02½
Potter D.	.02	.02¾
Porc. Tri.	..	.13
P. Rouyn	.06	.09
Pelangio	.13	.14½
Planet	.20	.22
Quemartic	.13	.15
Que. Man.	.64	.67
Rand Mal.	.34	.35
Rajah	.22	.25
Richmac	..	.34
Ribago	.02½	.03
Roeanor	..	..
Rouyn Reward	.04	.04½
Rubec	.03	.03½
Sand River	.25	.28
Schreiber	.04	.18
Shenango	.15	.10
Skookum	.09	.20
Siscoe Ex.	.17	.03¼
Smelters	.02¾	.13
Spooner	.10	.25
Sturgeon River	.20	.10
Springer	.09	.10½
Straw. L. B.	.09½	.27
Sun Bear	.25	.03½
Tonawanda	.04½	.16
Upper Can.	.31	.18
Wascana	.13	.11
Williamson	.09	.13
Wesley	.12	.07
Westside	.06¼	.05
West. R. Lake	.04	.14½
Wendigo	.13	.12
White Horse	.10	.11
Winoga	.09	.09
Ypres Cadillac	.07½	.17
Young Davidson	.15	

Government Bonds

Dominion of Canada Bonds

June 23, 1937		Bid	Ask.	Approx Yld.
2	15 Nov. '39	101.25	101.75	1.28
2½	15 Oct. '39	102.25	102.75	1.30
4	15 Oct. '39	105.75	106.25	1.26
1½	1 June '40	100.10	100.60	1.29
4½	1 Sept. '40	108.25	108.75	1.72
1	15 Mar. '41	97.85	98.35	1.46
5	15 Nov. '41	111.15	111.65	2.20
3	15 Oct. '42	103.85	104.35	2.13
2½	1 June '43	101.25	101.75	2.19
5	15 Oct. '43	112.15	112.65	2.81
4½	15 Oct. '44	110.25	110.75	2.85
▪2½	15 Aug. '45	99.00	99.50	2.37
4	15 Oct. '45	106.65	107.15	▲2.76
4½	1 Feb. '46	110.00	110.50	3.10
3¼	1 June '49	100.10	100.60	▲3.17
3⅛	15 Oct. '49	101.85	102.35	▲3.13
4	15 Oct. '52	106.25	106.75	▲3.24
3	1 June '55	96.00	96.50	3.26
4½	1 Nov. '56	109.25	109.75	▲3.30
4½	1 Nov. '57	109.25	109.75	▲3.39
4½	1 Nov. '58	109.75	110.25	▲3.41
4½	1 Nov. '59	110.00	110.50	▲3.45
▪3¼	15 Jan. '61	99.25	99.75	3.28
3¼	1 June '66	97.15	97.65	3.38
‡3	Perp. bds.	87.00	87.50	3.43

Dominion Guaranteed Bonds

Canadian National Railway:				
3	1 May '44	102.00	103.00	2.52
3	15 Dec. '50	96.00	97.00	3.27
3	15 Feb. '53	95.00	96.00	3.32
*4½	1 Sept. '51	112.75	113.50	3.32
*4½	1 Feb. '56	113.00	113.75	3.50
†4½	1 July '57	112.25	113.00	3.58
*4¾	15 June '55	115.25	116.00	3.54
5	1 Feb. '54	116.00	116.75	3.66
*5	1 July '69	115.25	116.00	▲3.10
*5	1 Oct. '69	117.75	118.50	▲3.48

Provincial Government Bonds

New Brunswick:				
4	1 Sept. '54	100.00	101.00	3.92
†4½	15 Apr. '61	104.50	105.50	4.14
†5	15 Jan. '60	109.50	110.50	4.28
Nova Scotia:				
3	2 Sept. '45	96.50	98.50	3.20
4½	15 May '43	106.50	107.50	3.13
†4½	15 Sept. '52	108.25	109.25	▲3.44
†5	1 Mar. '60	115.00	116.00	3.94
Ontario:				
3	1 Dec. '51	94.50	96.00	3.35
*4	1 June '62	106.00	107.50	3.55
4½	1 June '50	110.00	111.00	3.44
*4½	15 Jan. '62	114.00	115.50	3.55
5	15 Oct. '48	114.00	115.00	3.41
*5	2 Dec. '60	118.00	119.50	3.75
5½	1 July '46	116.00	117.00	3.30
Ont. Hydro Comm.:				
3½	1 Apr. '47	101.25	102.25	3.22
4¾	1 Jan. '70	114.75	116.75	3.85
Prince Edward Island:				
3	1 Oct. '45	96.50	98.50	3.20
Quebec:				
4	15 Mar. '52	104.50	106.00	3.48
4¼	1 Aug. '58	108.75	109.75	3.59
4½	2 Jan. '63	110.00	111.00	3.82
Alberta:				
4	15 Dec. '54	57.00	59.00	§
†4	1 Dec. '57	57.00	59.00	§
4½	1 Oct. '51	68.50	70.50	§
†4½	1 Oct. '56	58.00	60.00	§
†5	1 Jan. '48	59.00	61.00	§
5	1 Sept. '55	59.00	61.00	§
*5	1 Oct. '59	59.00	61.00	§
†5½	1 Jan. '47	60.50	62.50	§
6	1 Mar. '47	65.00	67.00	§
British Columbia:				
†4	1 Dec. '57	91.50	93.00	4.53
*4½	15 Jan. '51	97.75	98.75	4.62
†4½	1 Oct. '53	97.00	98.00	4.67
†5	15 Jan. '48	100.25	101.25	4.85
5	1 Sept. '53	100.00	101.00	4.90
5½	1 Feb. '45	102.00	103.00	5.03
6	15 Feb. '47	103.75	104.50	5.40
Manitoba:				
4	2 Jan. '50	83.00	85.00	5.69
†4	1 Dec. '57	84.00	85.50	5.15
†4½	15 Dec. '56	89.00	90.50	5.28
†5	15 June '54	92.00	94.00	5.55
*5	2 Dec. '59	93.00	95.00	5.39
5½	1 Oct. '55	95.00	96.00	5.85
6	1 Apr. '47	97.50	98.50	6.20
Saskatchewan:				
4	15 Aug. '53	69.00	71.00	6.99
4	1 Nov. '60	68.00	69.50	6.56
*4½	2 July '45	85.00	87.00	6.62
†4½	1 Oct. '51	87.00	88.00	5.72
†4½	15 Mar. '60	79.00	81.00	6.04
5	1 Aug. '58	80.00	82.00	6.57
†5½	15 Nov. '46	86.00	88.00	7.27
5½	1 Oct. '52	86.00	88.00	6.76
6	15 Mar. '52	87.00	90.00	7.10

*Payable Can., N.Y. & £. ▲Calculated to call date giving lowest possible yield. †Payable Can. & N.Y. ▪Payable N.Y. ‡Callable on or after Sept. 15, 1966. §Traded flat. Interest being paid at 50% of coupon rate; minimum rate 2%.

Mining Dividends

	Rate	Close June 21	Yield %
Anglo-Huronian	20c	5.50	..
Beattie Gold	‡5c	120	..
Bralorne	40c+25c	7.00	*9.2
Buffalo Ankerite	50c+5c	9.15	*6
Bulolo Gold	‡1.50	23.50	..
Cariboo	10c	1.45	6.9
Central Patricia	8c	2.65	..
Coniagas	12½c	2.75	..
Coniaurum	5c	1.10	..
Cons. Smelters	50c+$1	75.50	..
Dome Mines	$2+$2	39.37	*10.2
Falconbridge	30c	7.50	4
Hollinger	65c+45c	11.12	*9.8
Howey Gold	4c	.36½	..
Hudson Bay	75c	28.00	..
Island Mountain	‡10c	.70	..
Int. Coal & Coke	‡1c	.21	..
Inter. Nickel, com.	$2	57.37	3.5
Inter. Mining	30c	12.00	..
Kerr Lake	5c	.50	..
Kirk. Lake	‡3c	1.25	..
Lake Shore	$4+$1	48.75	*10.2
Lava Cap M.	5c	.86½	..
Little Long Lac	20c	5.10	..
Macassa	15c	4.65	..
McIntyre	$2	34.25	5.8
McKenzie Red Lake	4c	1.11	..
McKinley Sec.	5c	.65	..
McWatters Gold	5c	.45	..
Noranda	$1.75	57.50	..
Nor Can. Mining	2c	.72	..
Nipissing	25c	2.50	..
Placer Develop.	‡60c	15.00	..
Premier	12c+1c	2.00	*6.5
Pioneer, B.C.	40c	3.75	*10.6
Pickle Crow	§5c	5.80	..
Reno	12c	.78	15.8
San Antonio	7c	1.39	..
Sheep Creek	8c+1c	.80	*11.2
Siscoe	20c+1c	3.60	*6
Sudbury Basin	10c	3.25	..
Sullivan Cons.	†2½c	1.18	..
Sylvanite	20c+5c	3.10	*8
Teck-Hughes	40c+5c	4.85	*9.3
Toburn	8c	2.25	3.6
Ventures	†12½c	6.75	..
Wright-Harg.	40c+25c	5.95	*10.9

‡Interim. †Initial.
*Yield includes bonus.
§In addition, the company has declared an increased dividend of 10 cents per share payable June 30, 1937.

Municipal Bonds

June 22, 1937

	Rate	Due	Bid	Ask.	Yld.
†Halifax	5	1961	110.00	112.00	4.20
Hamilton	5	1950	110.50	112.50	3.80
Montreal	5	1945	104.50	106.00	4.09
Ottawa	4½	1945	108.25	110.25	3.05
†Quebec	5	1959	101.00	102.50	4.82
Saint John	5	1950	106.50	108.50	4.16
†Toronto	4½	1955	111.00	113.50	3.46
†Vancouver	5	1950	88.00	93.00	5.78
Winnipeg	5	1944	97.00	101.00	4.83

†Payable Can. and N.Y.

Investment Trusts

	Bid	Asked
Can. Amer. Trust	4.50	4.85
Can. Invest. Fund	4.35	4.70
All Can. Trustee	14.25	14.75
Trans-Canada	...	14.35
Grouped Income	6.15	6.75
Can. Equity	13.00	....
Can. Int. Tr., modified	6.00	6.50
Do., unmodified	5.50	6.00

Listed Bonds

Week Ended June 21, 1937

	Int. rate	Due	High	Low	Range 1937 High	Range 1937 Low
Mtl. L. H. & P. Debs.	3	'39	50¼	50¼	50¼	50¼

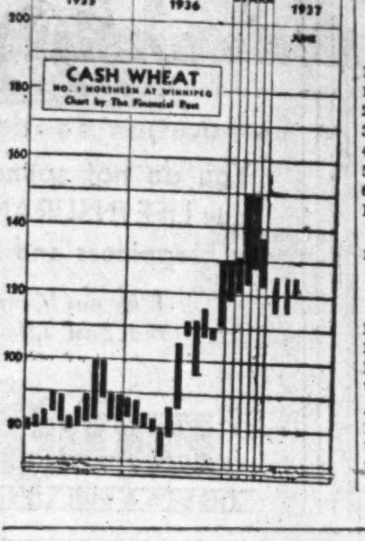
Widen Dial System

MONTREAL.—Directors of New Brunswick Telephone Co. have decided to go ahead with an extension to the central office building in West Saint John.

This extension will provide accommodation for the installation of dial equipment to complete the conversion of the Saint John telephone system to dial operation within the near future.

A. J. PATTISON Jr. & CO. Ltd
Established 1907
CORPORATION SECURITIES
Royal Bank Bldg. — EL. 5101
TORONTO

Wheat Prices



(Cash Quotations)

	For Week June 22 High	For Week June 22 Low	Prev. Week High	Prev. Week Low
1 Man. Hard	1.25½	1.20½	1.22⅝	1.15⅝
1 Northern	1.25⅝	1.20¼	1.22⅝	1.15⅝
2 Northern	1.23½	1.18½	1.20⅝	1.13⅝
3 Northern	1.21	1.16	1.19⅛	1.11⅝
4 Northern	1.17½	1.12½	1.15⅛	1.07⅝
5 Wheat	1.10	1.05	1.08⅛	1.00⅝
6 Wheat	1.05	1.00	1.03⅛	.95⅝
Feed Wheat	.90	.85	.88⅛	.79⅝
Vancouver: Week to June 20:				
1 Northern	1.20½	1.14⅛	1.16⅞	1.11⅝

Competitive Export Prices:

June shipments—	Week to June 18 High	Low
No. 1 North. (afloat)	unquoted	
No. 1 North. (Atlan.)	1.40⅞	1.34
No. 2 North. (Atlan.)	1.38⅝	1.29¾
West Australian (afloat)	1.34¾	1.27⅞
Australian	1.34	1.27⅛
Indian (new crop)	1.28⅝	1.24
U. S. Soft White Pac.†	1.38⅝	1.27⅛
U. S. 2 Hard Winters‡	1.33¼	1.29⅞

†Sept. ‡Aug.

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TO EVERYWHERE IN CANADA

CONSOLIDATED BALANCE SHEET OF CANADA PACKERS LIMITED AND ITS SUBSIDIARIES AS AT 25th MARCH, 1937

ASSETS

Cash on Hand	$ 21,008.50	
Accounts Receivable, less Reserve for Losses	4,274,792.94	
Inventories of Products, Materials and Supplies on hand, on consignment and in transit—as determined and certified by the management and valued at the lower of cost or market	9,421,442.67	
Life Insurance (Cash Surrender Value)	276,104.20	
Investments in Shares and Bonds at book value (Market Value $220,715)	137,133.17	
Prepaid Expenses	139,971.34	
Sundry Advances, Mortgages, Deposits, Balances Receivable and Advances to Employees for Expenses, etc.	149,571.19	
		$14,420,024.01
Investments in and Advances to Subsidiary Companies, less Reserve—		
Investment in Share Capital	$ 415,001.00	
Advances	63,575.18	
		478,576.18
Fixed Assets—Land, Buildings, Leasehold, Plant and Equipment		20,353,462.88
Fixed Assets which have been appraised are shown at their depreciated appraisal values, and other fixed assets are shown at not exceeding cost. The appraisals were made by—Dominion Appraisal Company Limited—31st March, 1927; Canadian Appraisal Company Limited—31st March, 1919, October, 1919 and 30th September, 1922; American Appraisal Company—1st October, 1919.		
Goodwill		1.00
		$35,252,064.07

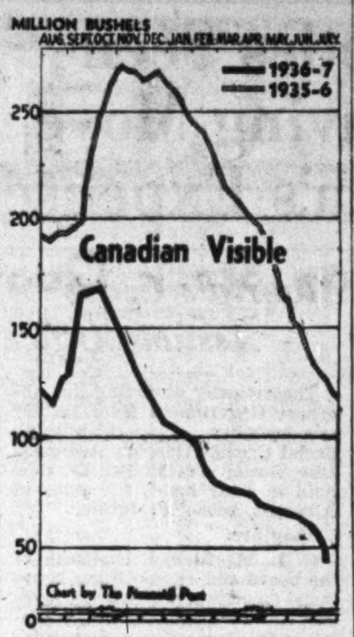
LIABILITIES

Companies' Bankers (Secured)	$5,678,781.51	
Accounts Payable and Accrued Charges	1,136,719.67	
Reserve for Dominion and Provincial Income and Sales Taxes and Municipal Taxes	564,510.11	
Accrued Bond Interest	47,243.00	
Dividend Payable on Common Shares 1st April, 1937	150,000.00	
		$ 7,577,254.29
Advances from Subsidiary Company		124,307.77
Collateral Trust Bonds Outstanding:		
3⅛% Bonds due 2nd January, 1938	$ 750,000.00	
3¼% Bonds due 2nd January, 1939	750,000.00	
3⅜% Bonds due 2nd January, 1940	750,000.00	
	$2,250,000.00	
4%—10 Year Bonds due 2nd January, 1946: Authorized $4,000,000 Issued	3,000,000.00	
		5,250,000.00
Reserve for Depreciation		9,089,441.34
Surplus on Appraisals		5,672,939.90
Capital—Authorized and Issued: 200,000 Common Shares of no par value	$1,438,284.46	
Earned Surplus Account	6,099,836.31	
		7,538,120.77
		$35,252,064.07

Note: Contingent Liability in respect of Paper under Discount—$54,743.

CONSOLIDATED EARNED SURPLUS ACCOUNT

Balance at credit 26th March, 1936	$ 5,177,173.62
Net Profit for the year	1,522,662.69
	$ 6,699,836.31
Four quarterly dividends of 75c. each per share on Common Shares	600,000.00
Balance at credit 25th March, 1937	$ 6,099,836.31



BELOW 50 MILLIONS

Steady liquidation of Canadian wheat carryover has now brought visible supply down to below 50 million bushels

Details in bushels are as follows:

Canadian Wheat in Store

Week of June 18	Week Previous	Last Year
48,259,000	51,319,000	151,850,000

Export Clearances*

Week of June 18	Week Previous	Last Year
3,337,682	3,762,793	4,239,945

*Plus U. S. imports.

Control Seen For Exchange

Turgeon Is Expected to Suggest Chicago System

From Our Own Correspondent

OTTAWA.—Federal supervision of Winnipeg Grain Exchange trading, continuance of the Wheat Board as an emergency service and re-establishment of Canadian wheat growers confidence in existing marketing machinery are expected to be the highlights of the Turgeon Grain Commission recommendations. Details, of course, are not available as the enquiry is not yet completed.

Commissioner Turgeon and the technical staff of the enquiry left only last week for Great Britain, where they will supplement the study of the wheat marketing problem which they have already made throughout the Dominion. Not until they have investigated the Liverpool market at first-hand and also, possibly, made some study of the grain trade of the continent, will the question of the report which is to be made come up for final consideration.

In the meantime, however, Commissioner Turgeon himself, Hon. J. L. Ralston, Commission Counsel, and members of the technical staff have spent some days in the capital prior to leaving for the Old Country. And from close sources it is possible to indicate the conclusions to which the enquiry thus far has led them.

To Follow Chicago

The importance of assuring the legal status of the Dominion in any regulatory legislation that it might enact is, in large measure, the key to the entire situation. For some years ago the Manitoba Provincial Government conceived the ambitious idea of regulating the Winnipeg Grain Exchange. Thereupon the exchange simply surrendered its charter and became a voluntary association, thereby leaving the Manitoba Government without any legal status for action.

The Dominion Government will probably apply to the Winnipeg Grain Exchange the system of federal supervision and regulation which is at present in force in the Chicago exchange.

At the latter centre the United States Federal Government is represented by an official with wide powers for regulating trading. He can—and does—impose the conditions under which the exchange shall operate, limit the volume of trading in any one day, and require full details to be disclosed of every transaction. The purpose of the regulation is to certify the legitimacy of all transactions.

Would Boost Confidence

If the Government continues the present wide powers of elevator control and, in addition, inaugurates the Chicago system of supervision in the Winnipeg Grain Exchange, it would be in a position, federal officials point out, to guarantee the integrity of the marketing operations from the moment the farmer delivers his wheat to the line elevator until it is sold for export. Ability to give such a guarantee is said to be regarded by Commissioner Turgeon as of utmost importance to the peace of mind of the prairie farmers.

The Commissioner is reported to have been favorably impressed by the case which the Winnipeg Grain Exchange made out before him, and to be convinced that any abolition of the futures market would be a cardinal error. At the same time, he is credited with having been equally impressed with the deep-rooted suspicion of grain exchange operations in the mind of the average western farmer. Commissioner Turgeon's reported view is that a system of governmental regulation which will command the confidence of the farmer will work out ultimately to the best interests of all concerned.

Skeleton Wheat Board

Almost from the start of the enquiry the continuance of a modified Wheat Board has been a foregone conclusion. Under the recent Murray operations opposition from the trade has largely disappeared. Moreover, the results gained by the new chairman over the last 18 months of fluctuating prices have also won a large measure of confidence among growers. All sides are coming more and more to agreement that only in emergencies is an active government marketing body necessary.

As a result it is considered likely that the Turgeon Commission will recommend that a skeleton board be retained to become active as a marketing agency only in such emergencies as might arise out of a sudden crash in prices. This board might agree at the beginning of each season to accept deliveries if prices declined to a point about say 25% from the opening level. In this way Canadian farmers would be assured against necessity of accepting panic values.

Week in Wheat

Crop Threats Fail To Stampede Europe

Flow of Winter Wheat from Southwestern States Offsets Threat of Northern Deterioration — Liverpool Waits Further Developments

From Our Own Correspondent

WINNIPEG.—Drought and threat of rust are the main factors behind the rise of wheat prices first on this continent and later followed reluctantly at Liverpool. But this rise is based on long term prospects, not the immediate future. At present supplies are coming out more freely and in bigger volume than expected.

Overseas markets are beginning to take account of the rapid marketing of wheat from the southwestern United States. Considerable shipments from India, attracted by present prices, have also been noted. Improvement in the Russian crop outlook revives hope in Europe of some surplus from that quarter later in the year. The general tendency is to await further developments before making distant commitments.

Saskatchewan Dry

Rains during the past week have improved conditions in Saskatchewan, but crop conditions of that province must still be ranked as the worst for many years at this season. Perhaps over a fairly large part of the southeast of the province, which has had good precipitation during the week, some crops previously given up as a total failure have a chance of producing a few bushels to the acre, provided that absolutely ideal moisture and growing conditions continue during the next two months. But the principal hopes that the rain has brought are not for commercial grain production but for pasture and fodder for livestock.

In northeastern Saskatchewan recent rains have revived hopes of a fairly good wheat crop, while in the northwestern area conditions are precarious. The soil has been so thoroughly dried out that the benefit of a single rainfall, even if fairly heavy, can easily be overestimated.

* * *

Good Prospects

Alberta's prospects continue on the whole to be reasonably good, with excellent conditions in some areas offset by heavy deterioration in others.

Manitoba crop conditions continue to be classed as excellent. Rust is the principal danger. While traces have been found, there is as yet no infestation of importance. Recent weather, however, has been moist and warm, exactly the condition to propagate rust rapidly.

In addition, south of the border there is a steady progress northward of the rust line, advance being hastened by frequent rains and warm weather. It seems almost impossible that a heavy barrage of rust spores will not cross the boundary on south winds and, if so, a couple of weeks of rust-producing weather would be sufficient to cause enormous losses. If that danger is escaped, Manitoba may well produce the most profitable crop experienced in many years.

* * *

U. S. Conditions

Though harvesting is now well under way in southwestern states and a considerable amount of wheat has been threshed and marketed in the earliest sections, much winter wheat in the United States is not yet ready for the binder. To such standing grain, rust and hail is still a menace, though less serious with each day that passes. Thoroughout the important wheat state of Kansas a good deal of rust infestation is reported but this is probably too late to do much injury. At the same time that area would like cooler, dryer weather.

In the spring wheat areas of the northwestern States, conditions are much the same as in Canada, except possibly a week earlier. Recent rain will benefit much of this crop though too late to revive wide areas in Montana. There is considerable evidence of rust, though no actual extensive damage. However, the rains that are relieving the drought in the dryer areas are favorable to the spread of rust in those districts where growth has been most satisfactory.

* * *

Argentine Seeding

This is the seeding season for the winter wheat in the Argentine and so far it has been unfavorable. Dry weather has retarded work and while there is still time to sow grain it is beginning to be doubtful whether the anticipated heavy increases in acreage will materialize. Certainly if weather does not turn more favorable in the very near future then only a normal wheat area may be expected. With a continuance of present dry weather, there may be poor germination of the wheat already seeded.

* * *

Ontario Outlook

Prospects are considered excellent for the Ontario winter wheat crop which will be ready for the binder early in July. A total yield of close to 15 million bushels is expected. While only a drop in the bucket compared to Canada's total wheat production, this Ontario crop is important because it contributes the bulk of the raw material for pastry flour. In recent years, due to poor yields in Ontario, exports of soft wheat flour have diminished and in some seasons were actually replaced by imports.

* * *

Spread Still Narrow

This tendency to hold back and watch is reflected in the continued narrow spread between July and October on the Winnipeg market, in spite of frequent predictions that it was likely to widen out. The situation, of course, may easily be reversed with even a small spurt in immediate export buying, because the available supply on old wheat in Canada is getting so small. In addition, while Saskatchewan wheat is likely to mature too early, certainly Manitoba, which usually furnishes the first wheat, promises to be late.

U.F.A. Protest

From Our Own Correspondent

CALGARY.—The executive of the United Farmers of Alberta is continuing its advocacy of a compulsory Wheat Board. This is in spite of the opposition of individual farmers to compulsory marketing schemes expressed before the Turgeon Commission, and similar evidence of both John I. McFarland and J. R. Murray, former and present chairman of the Wheat Board. A resolution has been forwarded to Ottawa recommending that as any report of the Grain Commission cannot be acted on before another session of parliament that the compulsory clauses of the present wheat board act be proclaimed for the handling of the 1937 crop. Reasons are cited as follows:

Seek Average Price

"Whereas there was keen disappointment among farmers at the limit placed on the operation of the Canada Wheat Board at the beginning of the 1936-37 crop year, and the feeling now prevails that great loss was sustained by them owing to the fact that after many poor crops they were forced to sell their wheat as soon as harvested and therefore before any substantial rise in price, and

"Whereas we believe that the best interests of the grain farmers of Canada will be served by providing that they receive the average market price for the year."

Most Growers Satisfied

The best information obtainable here is that Alberta farmers generally are very little concerned over the future of the Wheat Board. Growers are reasonably well pleased just now both with crop prospects and with prevailing prices.

Application Is Filed On Gatineau Power Shares

From Our Own Correspondent

MONTREAL. — International Hydro Electric System has filed an application with the U. S. Securities and Exchange Commission under the Holding Company Act for approval of the acquisition of 1.5 million common shares of Gatineau Power Co.

The applicant does not now hold any securities of Gatineau Power Co., but it does own all the second preferred and common shares of Canadian Hydro Electric Corp., which in turn holds 100% voting power of Gatineau Power Co.

As a result of the proposed amalgamation of Canadian Hydro-Electric Corp. with Gatineau Power, the applicant will receive 1.5 million common shares of Gatineau Power, being 92% of the total common shares outstanding, in place of the securities it now owns of Canadian Hydro Electric Corp.

N. W. Ayer & Son Ltd. Opens Toronto Office

N. W. Ayer & Son of Canada Ltd. opened an advertising agency in Toronto this week, which will be in addition to the office already maintained in Montreal. H. A. Batten, president of the company, states that continuance of increasing Canadian business has dictated the move. Toronto offices are in the Victory Bldg. and will be in charge of John H. Graydon.

"N. W. Ayer & Son of Canada, Ltd., was formed a little over three years ago as a natural outgrowth of Canadian commercial development," states Mr. Batten, "and of the policy of our international business which has been operating in Canada for half a century."

Winnipeg Grain Futures

Week to June 22, 1937

Crop year from Aug. 1, 1936 High	Low		Open June 16	High for week	Low for week	Close June 22
		Wheat				
1.47	1.03¾	July	1.23½	1.26⅜	1.19½	1.25
1.31¼	1.04⅛	Oct.	1.17½	1.20⅝	1.12⅝	1.19⅝
1.18⅝	1.07	Dec.	1.15⅜	1.18⅝	1.10⅝	1.17⅞
		Oats				
.60¾	.43⅝	July	.55⅞	.56⅞	.54	.56½
.54¾	.41	Oct.	.44¼	.46¾	.43⅛	.46½
.44	.38¾	Dec.	.41⅝	.44	.40⅛	.43¾
		Barley				
.82⅛	.56¼	July	.65¾	.66⅞	.62¾	.64¼
.73⅛	.51	Oct.	.59¼	.60¼	.56⅝	.59¼
		Flax				
2.05	1.60	July	1.66	1.67	1.60	1.64¾
2.01	1.61	Oct.	1.67	1.63½	1.61	1.65½
		Rye				
1.21	.78¼	July	1.20	1.21	1.10⅞	1.19
1.04½	.75⅞	Oct.	.85	.86⅞	.79½	.85⅝
.84½	.74	Dec.	.83½	.84½	.77⅜	.83⅛

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Life Insurance

Reinsurance Field Seen Narrowing Here

Canadian Companies Less Eager to Accept Large Amounts From Outside Sources—Suicide Losses High

By J. G. PARKER
Actuary, Imperial Life of Canada

Briefed from a paper read before the International Congress of Actuaries in Paris.

Reinsurance of excess risks has always been an important part of the operations of Canadian life insurance companies. During the period commencing the latter part of the last century and the first decade of the present, Canada experienced a marked growth in population and a very considerable increase in its trade and commerce.

For many years there has existed among Canadian companies a great degree of co-operation, resulting in a marked uniformity in the general conduct of business. This uniformity has been particularly noticeable in the similarity of policy contracts and in the general rules governing the selection of risks. Consequently it was natural that the companies sought and readily obtained reinsurance within the Canadian group and, further, that this reinsurance should, in the great majority of cases, be obtained by contracts co-insuring all the terms and conditions of the original company's contract rather than by the reinsurance of the excess risk on the renewable term plan.

Early Business Profitable

The reinsurance thus obtained proved to be profitable due to comparatively favorable mortality and the relatively low expense of conducting the business. As a consequence several of the Canadian companies went beyond the borders of Canada seeking reinsurance, generally on the same terms as they had previously granted within their own group.

The extent of growth is shown by the fact that during 1929 there had been received by the Canadian companies over $172 millions of reinsurance, an amount equal to 11% of the gross amount of business written by these companies in that year. There was in force at the end of 1929 over $774 millions of reinsurance constituting over 12% of the total amount of the business in force in Canadian companies.

Depression Losses

The change in business conditions during the so-called depression years had a serious effect on the business of reinsurance in Canada. New reinsurance diminished to about one third of the former amount. Not only did fewer large policies offer, but the companies became decidedly more strict in their selection of large risks, and the possibility of over-insurance made companies look somewhat askance at applications for amounts of insurance which previously would have been accepted and reinsured.

Moreover, the changed business conditions seriously affected existing reinsurance by producing an excessively high rate of termination among large policies and also producing a large increase in the rate of mortality due principally to deaths arising from cardiac impairments and from suicide.

The extent to which the business of reinsurance was affected by these changes is clearly shown by the fact that during 1935 only $26 millions of reinsurance was received, or only 15% of the amount received in 1929. This was, however, 4% of the gross business by Canadian companies for that year. Total reinsurance in force had decreased from $774 millions at the end of 1929 to $537 millions at the end of 1935.

Big Share Reinsured

Of the $774 millions of reinsurance which was in force at the end of 1929, approximately $360 millions had been so ceded by the Canadian companies themselves, and of the $172 millions obtained in that year, $70 millions originated from Canadian business. It would therefore appear that $414 millions of the reinsurance in force, or over 53% of the total, had come to Canada from outside companies, and of the new reinsurance received in that year $102 millions, or 60% of the total, had been obtained from sources outside the Dominion, mainly from companies situated in the United States.

At the end of the year 1935, the figures, while reflecting the decrease in business received and in force, also showed a considerable change, particularly in the division of the reinsurance received. Of the $537 millions of reinsurance in force at the end of that year $265 millions had been ceded by the Canadian companies, but of the $26 millions of reinsurance received $17 millions had been ceded from within their own group. While, therefore, $272 millions, or about 50% of the reinsurance business in force originated outside of Canada, only $9 millions, or 35% of the reinsurance received came from without the Dominion. With the revival of business, applications for large amounts of insurance are again being made, but it is doubtful if the Canadian companies will be eager to accept any large amount from outside sources. They will be more likely to content themselves mainly with reinsuring such risks as are undertaken by their own group.

Excelsior Life Sales Exceed $100 Millions

Undeterred by abandonment of "Life Insurance Week" among Canadian companies who formerly conducted an annual campaign as a joint enterprise, The Excelsior Life Insurance Co. recently concluded one of the most successful campaigns of that nature on record.

The Excelsior objective for new business during the week was $1,750,000, based on $1,771,000 actually written the previous year. Results this year were $2,351,783 in new business written entirely in Canada, more than 134% of the objective. Immediately prior to the campaign the Excelsior Life passed the $100 millions total of life insurance in force. Sales five times in excess of normal production followed during the week's campaign for which extensive advertising had paved the way.

Fire and Casualty

Alarming Increase Is Shown In Ontario Accident Toll

Alarming increases in fatalities, non-fatal accidents and property damage on Ontario highways and streets in the first quarter of 1937 are proving a disturbing factor in casualty insurance quarters and among highway safety officials.

Fatal accidents numbered 106 and the deaths of 114 persons injured on streets and highways represented an increase of 92.7% and 78.1% respectively. Collision with pedestrians resulted in deaths of 62 persons alone in the first three months of the year, compared with 32 in the same period of 1936. Accidents of all kinds jumped from 1,829 in the 1936 period to 2,446 this year. In addition 1,955 men and women non-fatally injured by highway and street accidents represented an increase of 560 over the first quarter of 1936.

Comparative figures for the two first quarter periods follow:

Ontario Highway Accidents

Location	1936 Accidents	1936 Killed	1937 Accidents	1937 Killed
Cities	1,156	21	1,509	42
Towns	91	5	88	7
Villages	26	2	26	1
Urban total	1,273	28	1,623	50
King's highways	391	20	595	48
County roads	94	4	161	8
Township roads	71	12	67	8
Rural total	556	36	823	64

Urban accidents increased by 27.5% and rural accidents by 48%, as compared with a general advance of 33.7%.

New Licenses

The following companies have been granted federal certificates of registry to write the classes of insurance named in addition to those for which they are already licensed:

Lumber Mutual Fire of Boston—Falling aircraft, civil commotion, property damage by vehicles.

Wapiti Insurance Co. — Falling aircraft, limited or inherent explosion, civil commotion, property damage by vehicles.

Scottish Metropolitan Co.—Intentional or other damage to, or loss of property of any kind, real or personal.

London and Scottish Assurance Corp.—Intentional or other damage to, or loss of property of any kind, real or personal.

Royal Scottish Insurance Co.—Intentional or other damage to, or loss of property of any kind, real or personal.

Northern Assurance Co.—Fire, accident, automobile, burglary, limited or inherent explosion, guarantee, limited hail, inland transportation, plate glass, sickness, sprinkler leakage, steam boiler, tornado, intentional damage to, or loss of property of any kind, real or personal.

World Marine and General—Fire, accident, automobile, burglary, explosion, guarantee, limited hail, inland transportation, plate glass, sickness, sprinkler leakage,, steam boiler, tornado, intentional or other damage to, or loss of property of any kind, real or personal.

Eagle Star Insurance Co.—Property damage by vehicles.

British Crown Assurance Corp. — Property damage by vehicles.

Compagnie Francaise due Phenix—Earthquake, property damage by vehicles.

Compagnie D'Assurances Generales contre l'incendie et les explosions—Falling aircraft, hail, loss of or damage to property caused by vehicles.

Merchants Marine Insurance Co.—Falling aircraft, civil commotion, property damage by vehicles.

Pearl Assurance Co. — Falling aircraft, hail, property damage by vehicles.

La Societe anonyme d'assurances a prime fixes contre L'Incendie L'Abeille — Property damage by vehicles.

British Canadian Insurance Co.—Falling aircraft, property damage by vehicles.

Mersey Expands Its Power Plant

From Our Own Correspondent

MONTREAL.—Announcement is made by the Nova Scotia Government that expansion of the Mersey Paper Co.'s power facilities to give an additional 10,000 h.p. will begin immediately.

The installation of additional power is taken to indicate that Mersey Paper plans another newsprint machine. At present Mersey is taking all the available power from the Government system.

Pattullo Seeks Fraud Act Aid

Exchange, Mining Men and Board of Trade Asked to Co-operate

From Our Own Correspondent

VANCOUVER. — Premier T. D. Pattullo has asked Vancouver stock exchange, the B. C. Chamber of Mines, Canadian Mining Association and Board of Trade for recommendations regarding proposed amendments to the Securities Frauds Prevention Act.

These organizations are now drafting a series of proposals to lay before the Government, which is also desirous of knowing their views on how the act should be administered—whether by a board or a single individual.

General opposition has been expressed to the three-man board proposal on the ground that it would be unwieldy and unnecessarily costly.

Mining men and brokers are hoping that the mines and labor departments will be separated before the next session of the Legislature so that a fulltime minister will be in charge of mines administration.

Meanwhile H. G. Garrett, veteran superintendent of brokers, has tendered his resignation. He will continue as registrar of joint stock companies and as superintendent of insurance.

Advance Paper Prices To British West Indies

From Our Own Correspondent

MONTREAL. — Canadian newsprint manufacturers announce a price increase effective immediately on shipments to the British West Indies. The price to Jamaica is now $56.50 per short ton c.i.f. and $57.50 c.i.f. other B.W.I. ports. The prices will be in force until June 30, 1938. Hitherto, the rates have been $45 and $47 respectively. Only a small tonnage is involved.

Alberta Ends Hail Insurance

Aberhart Government Declines Risk Estimated at $5 Millions

Alberta has discontinued operations of its Municipal Hail Insurance Board because, it is explained officially, that body has had difficulty in securing the necessary bank credit.

Not alone among Alberta Government bodies to experience difficulty in getting bank credit, the hail insurance board has had to face other and more underlying obstacles to its successful operation. One undesirable offshoot of the scheme was a form of speculation in which insurers paid premiums on farm lands where, records showed, hail has caused severe damage almost every year. High premiums in some cases were nothing more than a gamble that weather records over a long period would continue, with an ample return in the form of hail insurance.

That the Government is aware of the hazards involved is indicated by the explanation of Hon. Lucien Maynard, minister of municipal affairs, who informed the Alberta Association of Municipal Secretary-Treasurers that to continue the scheme would involve a risk of about $5 millions on the part of the Alberta Government. With bank credit difficult to obtain, no other course remained than to cease operations.

Hopes that by next spring the Government may be able to arrange drought and frost insurance for farmers of the province, were expressed by Mr. Maynard. By what means is not known.

The Hail Insurance Board was created by act of the Alberta Legislature in 1919. Since then it has paid farmers more than $15 millions in losses on risks amounting to $176 millions on 20 million acres of grain. The loss ratio on growing grain in Alberta is said to be heavier than anywhere else on the American continent.

Douglas Tactics Seen As Face-Saving Move At Alberta's Expense

Aberhart Future Remains Uncertain as House Prorogues

NO DEBT REDUCTION

From Our Own Correspondent

EDMONTON.—With another Social Credit hope on record, this one from Premier Aberhart that there will be a plan providing $25 a month dividends ready for operation by fall, the Alberta Legislature finally reached prorogation on June 17, almost four months after it began its session.

Though the Aberhart Government survived the dangerous threat of rebellion within its party ranks, its future remained uncertain. With supply voted to March 31, 1938, the Government and its Social Credit board won a breathing spell in which to procure plans to pay promised dividends.

It was generally understood that Major C. H. Douglas, author of Social Credit theory, would provide such plans. His personal representatives are surveying the Alberta situation, and the assurances of one of them, George F. Powell, of London, England, sufficed to effect a truce in party quarrelling. Mr. Aberhart suggested, but did not promise, a session "before October" to implement a plan.

Highways Probe Forced

Politically, while the threat of a general election through collapse of the Aberhart Government has been postponed it has not been dispelled. Rebellious Aberhart followers, joining with opposition members, forced the Cabinet on the last day of the sitting to accept an investigation into the highways department, presided over by Hon. Hon. W. A. Fallow. Bowing to clamor from many quarters in the house, Premier Aberhart himself moved for a Royal Commission of enquiry into road expenditures, promising to start it as soon as possible. The projects particularly involved are the Edmonton-Wetaskiwin and Edmonton-Jasper contracts of 1936, in which federal funds figured.

Social Crediters, and the people of Alberta generally, are just as much in the dark about how $25 a month can be paid to everyone as they were before, despite the bland assurances of Mr. Powell. The Douglas representative has given no hint that he knows anything more about how to establish Social Credit than did Mr. Aberhart. Judging from the temper of private members, Douglas and his agents will have to produce more than bright promises before fall. Otherwise the party disruption that has been stayed temporarily, will continue and rapidly overtake Mr. Aberhart.

Money Provided

The Legislature ratified estimates for 1937-38 totalling $22,580,300.93, less $5,645,075.23 voted as interim supply in March; supplementaries for 1936-37 amounting to $3,606,906.56; and supplementaries for 1935-36 of $612,363.35.

No changes were made in the June sittings in the Social Credit Act, which is operative so far only in respect to the appointment of a board to hire experts.

The Debt Adjustment Act was passed, consolidating previous legislation, broadening its scope to cover all debtors instead of farmers only, but omitting the right of appeal from debt adjustment board orders, which had been expected to be restored.

The debt reduction bill, cancelling 50% principal on old debts, died on the order paper.

Other notable bills not proceeded with were three business control measures, sponsored by Hon. W. W. Cross, minister of trade and industry, and Provincial Treasurer Solon Low's amendments to the sales tax law. The latter would have provided restrictions on exemptions from the tax, to increase the yield by $450.000. While so-called "experts" direct from Douglas have moved into key positions in the Alberta situation, and the Social Credit board pins its faith on geting Douglas himself, another of the parade of advisers has departed. Among these is J. Harold Crawford, formerly a Regina business man, a student of Social Credit whom the prospects of an experiment attracted to Alberta, and who drafted the present Social Credit Act, modelling it on the Goldsborough bill. Others are H. B. Brougham, connected with the New Economics Group of New York, whom Mr. Aberhart disowned when he came to Edmonton; E. S. Woodward, Vancouver, apostle of Gesell money or stamp scrip; R. Halliday Thompson, claiming to be ambassador of the British Social Credit party, now operating a League of Economic Democracy in Winnipeg; H. H. Hallatt, Hamilton, Ont., advocate of national money; and John Hargrave, leader of the Green Shirts, a Social Credit political party in England. The memory of the ebb and flow of experts is keen enough in Alberta for few to put much faith in Expert No. 7, who is Mr. Powell, and No. 8, L. D. Byrne, of Manchester, England, the second scout dispatched by Douglas.

Face Saving

The impression is held widely, since Mr. Powell arrived, that Major Douglas's interest in Alberta at the present stage is more to establish that Aberhart's failure is not due to Douglas error, than to actually save the experiment in this province.

He is expected to lay down proposals which neither Aberhart nor his followers would countenance. One proposal already discussed secretly by Douglas is the transfer of Alberta bonds into internal credit accounts, of "Alberta Credit." To the outside bondholder this would be virtual confiscation, or at least enforced exchange of securities for doubtful purchasing power of no value, outside the province.

The confiscation features of this scheme are plainly recognized by many Social Crediters, and it is believed, by Mr. Aberhart.

A possible development in Alberta, then, is that Aberhart will be forced shortly to repudiate outright the proposals of Douglas, or else sit idly by and allow Douglas a free and irresponsible hand for vague experiments at the expense of the people of the province.

Alberta's Czars Assume Office

Theoretically absolving the Aberhart Government from further responsibility in establishing Social Credit, Alberta's five czars (the Social Credit Board) now hold in their hands the reins of Alberta's economic future.

They are:

G. L. MacLachan, chairman of the board and envoy of the Provincial Government to Major Douglas. He is a member of the Legislature for Coronation and operates a general store at Sedalia. In 1930 he read Major Douglas' book, "Economic Democracy" and in 1935 entered politics for the first time as a Social Credit candidate.

Floyd M. Baker, secretary, a native of Stevensville, Ont. He operated as a hardware merchant in Edmonton, Spruce Grove and Fort Saskatchewan, Alta. since 1907 and was superintendent of Fort Saskatchewan Sunday School for nine years. He sold out his hardware business in 1935 to follow Aberhart.

S. A. Berg, general merchant at Marwayne. He came to Canada from Wilmar, Minn. in 1915 and first settled in Saskatchewan. He has always been interested in community affairs and was largely responsible for formation of the Marwayne Glee Club and orchestra. His first contact with Social Credit was through radio.

William E. Hayes, druggist of Stoney Plain, Alta. He was born in Ontario and is a graduate of the College of Pharmacy. He was converted from a Conservative to a Social Crediter in 1934 after first taking a fling at technocracy. He is a Shriner and takes an active part in the Sunday School work of the United Church.

Dr. J. L. McPherson, practising physician of Ryley, Alta. His first entrance into politics was as a Social Credit candidate in 1935. Dr. McPherson was born in Teeswater, Ont. and is a graduate of the University of Toronto.

Dalhousie Newsprint Mill Sets Production Record

From Our Own Correspondent

MONTREAL. — New Brunswick International Paper Co.'s mill at Dalhousie, N.B., recently established what is believed to be a world record for four machines of 226-inch width when 707 tons of newsprint were produced in one day. During a two-week period, production had been gradually increasing until a high mark of 682.1 tons was reached and then the highest mark of all, 707 tons.

Repudiation Talk Is Dead in B. C.

Financial Progress Best of Any District, Dealers Hear

From Our Own Correspondent

SEIGNIORY CLUB, QUE.—British Columbia has shown greater progress than any other section of Canada, M. F. Wardhaugh, of the Vancouver office of Nesbitt, Thomson & Co., vice-president in charge of the Pacific district reported to the Investment Dealers Association convention here.

Provincial finances, he said, show marked improvement and the repeatedly reiterated determination of the Government to conduct the financial affairs of the province with due respect to the contracts into which it has entered has done much to establish and maintain confidence on the part of investors. There has been a diminution of the agitation so noticeable 18 months ago in regard to repudiation of debts and compulsory interest cuts and this, Mr. Wardhaugh stated, reflects the fixed determination of the people of British Columbia to honor their contractual obligations and to maintain their credit in good standing.

"No one familiar with the province," according to Mr. Wardhaugh, "can be anything but optimistic about the future. The tremendous variety and abundance of natural resources present in British Columbia coupled with temperate climate and energetic population would seem to answer the future."

H. J. Bird Joins Vancouver Mortgage

Henry James Bird has disposed of his interest in Bird & Talling Ltd., Vancouver, and has accepted the position of manager of the investment department of Vancouver Mortgage Corp. It is also understood that he will be elected a director of Vancouver Mortgage Corp.

Mr. Bird has been connected with Royal Financial Corp. for eight years and for six years was with Bird & Talling prior to accepting his present position.

Vancouver Mortgage Corp. is a successor to Gillespie, Hart & Co. The company is engaged in the general insurance business and handles mortgage loans and general real estate developments as well as having an investment department.

N. B. Power Board Seeks To Acquire U. S. Holdings

MONTREAL. — New Brunswick Electric Power Commission will open negotiations with the Maine Public Utilities Corp. for acquiring its holdings in New Brunswick.

The Commission has had the electrical problem of the Upper Saint John River Valley under consideration for several months. The power used in Carleton County is now generated at Aroostook Falls in New Brunswick, carried into Maine and brought back again into New Brunswick. Before reaching the consumer, the current passes through several companies.

In order to eliminate this duplication in the power service, the Commission proposes to negotiate with Maine Public Utilities Corp. with a view to purchasing.

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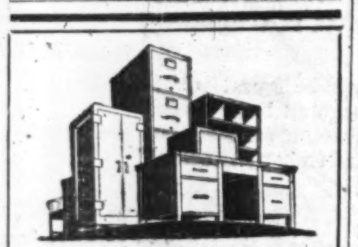
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Banking

Effect of Central Bank Is Long Term Influence

Bank of Canada Seen as Beneficiary Rather Than Regulatory Factor in Period of Business Recovery

Is the Bank of Canada fulfilling the objects for which it was created?

Or has it merely functioned in a rising business and economic trend without having influenced the general level of conditions in Canada?

Both questions were discussed recently in an address to the Winnipeg Bankers' Lecture Club by J. P. Bell, former general manager of the Bank of Hamilton and until his retirement two years ago manager-in-chief of the Hamilton division of the Canadian Bank of Commerce.

Canada's central banking system has much to recommend it, Mr. Bell believes, but it is nevertheless open to criticism. With the co-operation of the chartered banks it should work to the advantage of the country, provided the management of the bank remains in careful hands and free from political interference, "a danger which is by no means made less by legislation giving the Government a majority of the capital stock issued, with all that involves."

Trade Recovery

Reviewing the origins of the bank, Mr. Bell arrives at the following conclusions:

"First, it should be apparent that a steadily improving export balance of trade has made the task of upholding our dollar on the exchange markets a comparatively easy one. Our exports of Canadian products for 1936 show a favorable balance exclusive of gold bullion of $327 millions, a gross tourist income estimated at $250 millions, with a net of $165 millions, while the premium on gold produced, exported or earmarked brought that item up to the record figure of $126 millions.

"The total of these credits was more than sufficient to make large net payments abroad, including $250 millions for interest on borrowed capital, and dividends on foreign holdings of Canadian stock, and provide a net reduction of $145 millions of debt held abroad, after another $110 millions had been refinanced, as well as for other capital expenditures entailed by industrial developments in which Canada is interested."

The Bank's Position

Against this situation created by favorable trade conditions and Canadian gold production, Mr. Bell compares the conditions under which the Bank of Canada was created.

The Bank of Canada has been a very definite factor in reducing turnover in the foreign exchange market, Mr. Bell believes. "They have been able to do this by virtue of their control of two important factors:

"1. All gold mined in Canada.

"2. Dominion Government purchases of exchange.

An offsetting process is created by means of this control, Mr. Bell holds.

"Our gold exports go to the credit of the bank's account with the Federal Reserve Bank in New York, and out of this account Dominion Government payments are made," he explains. "During 1936 Dominion and Dominion guaranteed payments in countries other than Canada amounted to $113.5 millions. Our gold exports during the same period amounted to $85.6 millions."

Prior to the opening of the Bank of Canada the chartered banks would have handled a considerable part of the exchange arising from gold exports as well as that required to service government obligations in other countries, Mr. Bell says.

Because the Bank of Canada is permitted by its charter to earmark gold for foreign central banks, the Bank of Canada is in a position to handle gold transactions without the public knowing anything about it. He says:

"The bank is not required to make public its dealings in earmarked gold and the only available information on gold purchases and sales available to us is that secured from figures of actual exports and imports of metal, as shown by the monthly government trade figures and in the Bank of Canada statement.

"Since the opening of the bank its gold holdings have remained practically unchanged, except for the adjustments necessitated by revaluation.

"It is rather interesting to note that during 1936 our total gold production was about $126 millions, whereas our reported exports amounted to $85.6 millions only, and at the same time the Bank of Canada did not add to its stock as reported. It would be interesting to know what happened to the remainder."

As to the extent the Bank of Canada has been a factor in regulating credit, Mr. Bell finds it difficult to estimate. "It seems," he says, "evident that the bank has not attempted in any manner to influence banks to make imprudent loans upon inadequate security, either to corporations or to governments, nor can we trace any action of the bank or any manner in which its influence has been exerted to mitigate fluctuations in the general level of production, trade, employment and prices. No doubt it was intended that these things should come about gradually, over a long period of years.

"As to making money or purchasing power more plentiful and forcing down rates of interest, these were the result of action by the Dominion Government, and began before the Bank of Canada started business, although it has no doubt facilitated them."

Bank Chat

Toronto's Currency

Torontonians who pride themselves on orthodox monetary views are likely to be embarrassed in recalling that Toronto itself embarked on a currency scheme similar to the ill-fated "prosperity certificates" of Alberta.

It was exactly 100 years ago when Toronto's paper currency, issued to an amount of $22,000 was circulated in a philanthropic effort to meet the shortage of money in the newly chartered city. According to historians, the move was not entirely philanthropic, however, since the city council regarded an issue of paper money as a convenient method of avoiding financial difficulties of the moment.

Issued in one- and two-dollar denominations, the bills were handsome specimens of a New York engraver's art. They bore the signatures of Mayor Gurnett and Aldermen McCord and Washburn. They circulated for several years and were eventually redeemed by the city.

* * *

"Light" on Social Credit

"To promote and spread throughout Canada knowledge and appreciation of national, financial, economic and social problems and questions, and to foster the study and adoption of the economic principles of Social Credit as advocated by Major C. H. Douglas," is the all-embracing purpose of the newly organized "Douglas Social Credit Bureau of Canada."

The bureau is incorporated, without share capital, under the Companies Act, 1934, with head office in Ottawa. The incorporators are:

R. L. Duclos, insurance broker; H. E. Mordaunt Kensit, electrical engineer; Jean Elizabeth McJanet, advertising agent; Harry Hands, photographer; E. W. Harrold, editor; O. E. Culbert, barrister-at-law, and Alvarez Pereira, publicity agent, all of Ottawa.

Bank of Canada Weekly Statement

Balance Sheet

	June 16 1937 $	June 9 1937 $
Liabilities		
Capital paid-up	10,100,000	10,100,000
Notes in circ.	131,869,719	131,391,451
Rest. fund	743,716	743,716
Dep.: Dominion	22,715,522	21,841,293
Banks	186,591,515	192,468,477
Other	368,441	612,420
Total deposits	209,675,478	214,922,190
All other liabs.	2,010,212	2,180,279
Total liabs.	354,399,125	359,337,636
Assets		
Reserve: Gold	183,551,960	184,057,027
Silver bullion	2,468,706	2,482,498
Res. in sterling and U. S.	22,503,723	22,831,116
Other curr.	3,467	......
Total reserve	208,527,856	209,371,541
Subsidiary coin	177,911	178,903
Investments:		
Dom. govt. short	38,926,775	42,385,210
Other Dom. govt.	98,456,669	102,665,450
Other secs.	4,995,888	......
Total invest.	142,379,332	145,050,660
Premises	500,197	500,066
All other assets	2,813,829	4,236,465
Total assets	354,399,125	359,337,636
Reserve ratio	61.05%	60.45%

Week in Banking

	June 17 1937 $	Change Year Ago %	June 10 1937 $
Halifax	2,735,636	+15.8	2,306,901
Saint John	2,028,074	+ 9.3	1,475,612
Moncton	909,020	+15.8	716,032
Sherbrooke	785,582	+17.1	630,825
Quebec	5,346,144	+31.8	4,258,067
Montreal	116,351,584	+ 5.9	84,343,770
Ottawa	18,668,499	—34.5	23,693,207
Kingston	718,830	+34.7	628,084
Peterborough	745,054	+ 6.9	578,205
Toronto	144,499,778	+ 7.5	96,892,334
Hamilton	6,347,537	+40.2	4,787,336
Kitchener	1,467,567	+32.5	906,692
Brantford	1,086,078	+ 9.2	798,177
London	3,529,490	+ 1.1	2,266,594
Chatham	826,496	+36.6	472,578
Windsor	4,186,381	+37.5	2,371,378
Sarnia	550,156	+ 9.1	494,955
Sudbury	1,126,520	+19.6	686,544
Fort William	869,786	— 6.9	675,410
Winnipeg	37,425,946	—48.4	31,439,252
Brandon	318,282	— 7.1	236,043
Regina	3,849,833	+16.2	2,873,755
Moose Jaw	648,192	+11.3	546,094
Saskatoon	1,601,112	+ 7.5	1,236,756
Prince Albert	345,484	— 1.7	344,072
Edmonton	4,238,268	+ 4.1	3,294,427
Calgary	5,423,924	+ 4.0	3,945,210
Medicine Hat	222,341	— 5.2	190,931
Lethbridge	455,395	+ 2.3	347,299
N. W'minster	713,765	+23.6	564,469
Vancouver	21,251,814	+16.9	15,358,075
Victoria	1,935,037	+11.5	1,527,318

Staff Changes

The Royal Bank of Canada announces the following staff changes:

W. S. Strachan, manager, St. Lawrence and Craig, Montreal; to Vernon, B.C., as manager.

H. Ostrom, manager, Kingsway, Vancouver; to West Vancouver, as manager.

F. W. Phillips, appointed manager at Val d'Or, Quebec.

A Chilton, West Vancouver branch, retires on pension.

The Bank of Nova Scotia announces the following staff change:

C. F. Lindsay, appointed manager at Ottawa branch, succeeding R. M. Gemmel, who retires on pension.

Foreign Exchange

FOREIGN EXCHANGE AT TORONTO AND MONTREAL

Par	June 14	June 15	June 16	June 17	June 18	June 19
U. S. Dollar, High	1.00 1/16	1.00 1/64	1.00 1/64	1.00 1/64	1.00	1.00 1/64
Low	1.00	1.00	1.00	1.00	1.00	1.00 1/64
1936, High	1.00 1/16	1.00 1/16	1.00 1/16	1.00 1/16	1.00¼	1.00 1/16
Low	1.00 1/16	1.00 1/16	1.00 1/16	1.00 1/16	1.00 1/16	1.00 1/16
U. K. pound	4.94	4.94¼	4.94	4.93 15/16	4.93 15/16	4.94¼
Australia	3.94½	3.95⅛	3.95⅜	3.95¼	3.95¼	3.95½
Austria	.1875½	.1875½	.1875½	.1875	.1875	.1875½
Belgium	.1689	.1689	.1689	.1688	.1688¾	.1689½
Brazil	.0655	.0655	.0660	.0660	.0660	.0655
Czechoslovakia	.0348¾	.0348⅞	.0348⅞	.0348¾	.0348¾	.0348⅞
Denmark	.2206¼	.2207⅛	.2206⅝	.2205	.2207	.2206¼
France	.0445¾	.0445½	.0445½	.0445 1/16	.0445 7/16	.0445½
Germany	.4009¾	.4009¼	.4009¼	.4009½	.4010	.4011¼
Greece	.0090⅝	.0090⅝	.0090⅝	.0090¾	.0090¾	.0090¾
Holland	.5500¾	.5500¾	.5500¾	.5499	.5499	.5500¾
Hungary	.1975⅝	.1976⅝	.1975⅝	.1976	.1976	.1976⅝
India	.3730¼	.3733¼	.3732¼	.3731	.3731	.3734¼
Italy	.0526⅝	.0526½	.0526½	.0526¼	.0526¼	.0526⅜
Japan	.2873⅛	.2877⅛	.2876⅛	.2874	.2875	.2875⅞
Jugoslavia	.0233	.0233⅜	.0233⅜	.0233½	.0233½	.0233¼
New Zealand	3.97½	3.98½	3.98⅜	3.98¼	3.98¼	3.98½
Norway	.2482¾	.2484¾	.2482¾	.2482	.2483	.2483¼
Poland	.1896	.1896	.1896	.1896	.1896	.1896
South Africa	4.93	4.93¼	4.93	4.92 15/16	4.92⅞	4.93⅛
Sweden	.2547¾	.2548¼	.2547¾	.2548½	.2549	.2548½
Switzerland	.2292¾	.2293½	.2292¼	.2291¼	.2292¾	.2294¾
Hong Kong	.3036	.3036	.3041	.3041	.3046	.3046

Montreal Finance Corp. To Widen Board's Powers

From Our Own Correspondent

MONTREAL. — Montreal Finance Corp. is calling a special meeting of shareholders on June 28 to consider an arrangement, under which the directors shall have the right to redeem at any time all or any part of the outstanding preferred shares at par and accrued interest from Jan. 1, 1933. In the event of all or part of the shares being called, the company must give at least 30 days' notice in writing to holders of the stock.

Public Utility Earnings

B. C. Power Corp.

May:	1937 $	1936 $
Gross revenue	1,213,034	1,137,952
Oper. expenses	898,113	812,966
Net revenue	314,921	324,986
11 Mos. ended May:		
Gross revenue	13,696,497	12,767,868
Oper. expenses	9,578,707	8,708,680
Net revenue	4,117,790	4,059,188

Southern Canada Power

May:	1937 $	1936 $
Gross revenue	195,476	178,907
Oper. expenses	82,118	73,113
Net revenue	113,358	105,794
Interest, etc.	109,098	107,571
Surplus after divds.	4,260	*1,777
*Deficit.		
Eight Mos. ended May:		
Gross revenue	1,523,654	1,437,257
Oper. expenses	634,793	587,122
Net revenue	890,861	850,135
Interest, etc.	874,535	867,488
Surplus after divds.	16,326	*17,353
*Deficit.		

Halifax Cargo Tonnage Scores Sharp Gain in May

From Our Own Correspondent

MONTREAL. — Cargo tonnage handled at the Port of Halifax in May totalled 185,122 tons, the largest reported for that month in several years as compared with 134,165 tons in May, 1936. Practically all the improvement was recorded by imports, which increased from 67,536 tons last year to 118,285 tons this year.

Windsor City Has Surplus

Only Taxes Collected in 1936 Included in Statement

The city of Windsor reports an operating surplus in 1936 of $563,201. In commenting on this result the city's auditor, Arthur S. Fitzgerald & Co., explains that 1936 was to some extent a continuation of the amalgamation period.

Until the proclamation of the city of Windsor Amendment Act in July, the non-elective finance commission was in charge. Immediately after this proclamation the department of municipal affairs assumed the same powers as the former finance commission.

Actual revenue for 1936 for the city was $7,409,997 against budget estimates of $6,895,417. Largest item contributing to this improved record is tax collections of $4,554,795 where estimates were only $4,045,224, an increase of approximately $500,000.

The city kept within its budget and actual expenditures were $6,846,796 compared with the budgetary figure of $6,895,407.

Tax Accounting Changed

A change was made in the system of accounting for tax collections beginning with Jan. 1, 1936. Only revenue actually received was taken into the city's revenue account whereas in former years the practice had been to show the full amount of the current roll as revenue for the year.

As result of this change in accounting methods, a tax suspense account of $6.2 millions was set up in 1936. This turned the surplus which the city brought forward from 1935, amounting to $2.9 millions, to a deficit of $4.1 millions at the end of 1936.

The auditor suggests that such a favorable showing can hardly be expected to continue. It would be an impossibility, he states, for the city to continue to collect 106.86% of its current roll in total taxes.

Income and Assessment
Year Ended Dec. 31, 1936

	$
Current revenue	7,409,997
Current expenditure	6,846,796

Tax rate, 1936: General, 25 mills; school, 15 mills; total 40 mills.

Total tax arrears, $2,886,822; 1936 levy, $4,262,278; uncollected, $788,214.

Assets and Liabilities

	1936 $
Value of assets	46,540,492
Total debenture debt:*	
Direct debenture debt	28,874,227
Debt assumed	1,935,934
Debt guaranteed	7,682,641
Bank loans	4,427,056
Other liabilities	947,899

*Includes accrued and unpaid interest

Montreal Security Values Register Advance in May

From Our Own Correspondent

MONTREAL. — Securities listed and traded on the Montreal Stock Exchange and the Montreal Curb Market had a value of $3,236 millions at the end of May, an increase of $90 millions over the previous month. Compared with May a year ago the total value showed an increase of $582 millions.

Three out of nine classifications, including utilities, Government bonds and industrial bonds on the Montreal Stock Exchange, showed advances. Banks remained unchanged while minor declines were registered in other groups.

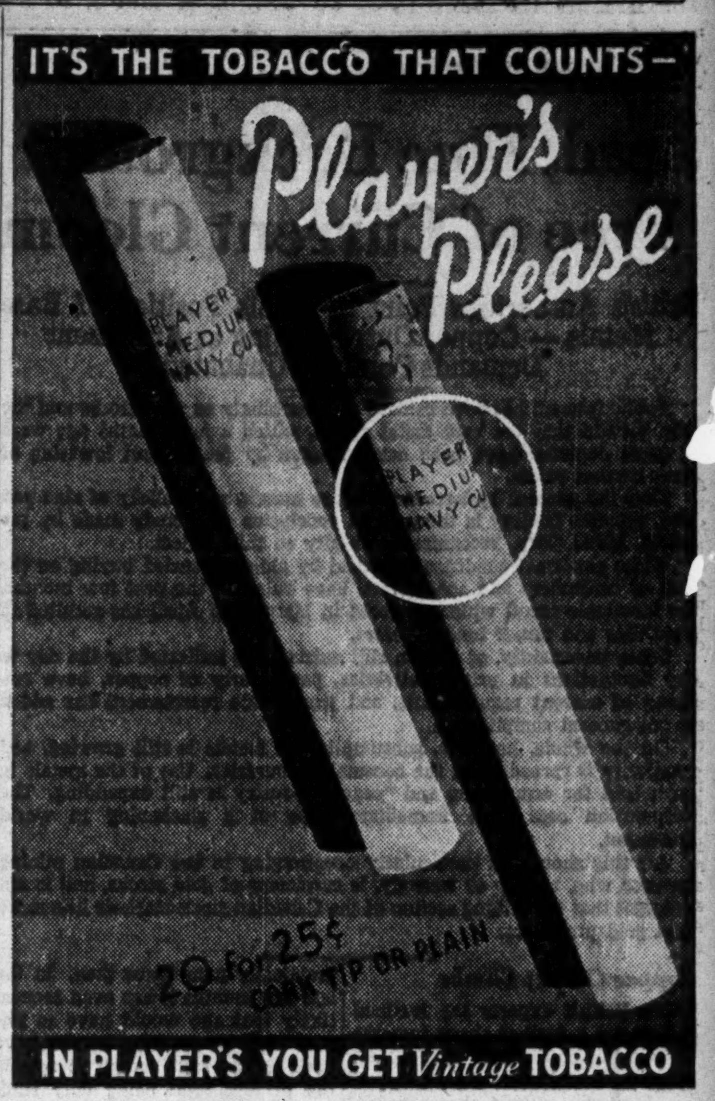
Distillers Corp.-Seagrams Expands American Unit

From Our Own Correspondent

MONTREAL. — Calvert Distillers Corp., subsidiary of Distillers Corp. —Seagrams, announces a $500,000 construction programme at its Relay, Md., plant, completion of which is expected by early fall.

An expansion in Calvert business, which is now running close to 85% ahead of 1936, made this building programme necessary. When the present plant was completed 18 months ago, it was deemed adequate to take care of Calvert's business for five years.

Construction of two warehouses, each six stories in height, having a capacity of approximately 50,000 barrels each, is now under way. Work also has commenced on a rectifying building which will serve as an auxiliary to the present five-story rectifying and bottling house. Four new bottling lines are being installed.



IT'S THE TOBACCO THAT COUNTS—
Player's Please
IN PLAYER'S YOU GET *Vintage* TOBACCO

QUEBEC...
THE PROVINCE WITH TWO VOICES

IN THIS RICH PROVINCE live nearly 3,000,000 people, divided into 538,245 families. It is an urban Province, only 36% of its population living on farms.

AND IT IS A WEALTHY PROVINCE, where per capita wealth is $2,269, where the Pulp and Paper Industry produces $56,477,428 a year, and where industrial production amounts to $653,066,534 annually.

OVER HALF A MILLION PEOPLE in Quebec speak English only, and a very great number of the French population are equally at home in English. Taste and appreciation is backed by buying power in this population to a degree that substantially rewards the vendor who presents his advertising message through the interesting medium of magazines.

IN QUEBEC there are 538,245 homes; 358,584 of which are urban; and 179,661 rural.

AND IN QUEBEC THERE ARE
259,530 Telephone Subscribers
378,705 Wired Homes
256,629 Owner Occupied Homes
170,813 Licensed Automobiles
98,685 Subscriptions to this group of Magazines

TODAY, shorter working hours have given people more leisure time, more time for reading. This is reflected in the growing circulation of magazines. Higher earning levels, and the development of educational facilities have contributed to the broadening of the magazine market.

THE FRIENDLY and familiar atmosphere of the magazines of Canada takes your sales message to the most active buying centres of Canada... direct to a free spending people whose standards of living are second to none... and where response to your appeal comes in prompt buying action. And the national magazines of Canada give you concentrated coverage of every Province in the Dominion.

CANADA'S MAGAZINES SELL CANADIANS

Maclean's Magazine • Canadian Magazine • Chatelaine
National Home Monthly • Canadian Home Journal
NATIONAL COVERAGE FROM SEA TO SEA

Week in Mining

Lead, Zinc Background Free of Current Gloom

British Authorities Point to Stable Position of Base Metals — Copper Output Rising as Armament Demands Continue Unabated

Public interest has been centred so absorbingly on gold stocks and the gold picture that the base metal stocks, which a few months ago were in great demand, have been carried down by the general lowering of stock market prices.

That the general background of base metals, particularly of zinc and lead, remains healthy is the general conclusion of a study made by the British Metal Corp., recognized authority on this subject.

While abnormal conditions, marked by almost frenzied buying on the part of consumers and speculators, have ruled in the past few months, the inevitable recoil which occurred in March and April has resulted in a steadier and firmer tone to prices.

Some uncertainty, of course, still exists, as is indicated by the day to day fluctuations in price. Deliveries, particularly of copper, have run ahead of current requirements, and world-wide rearmament has added to the general complication.

On the whole, however, consumption of metals is still growing, and prosperity is spreading in the consuming countries. Use of the metals in the world for armaments and "peace" industry is still expanding. The Corporation sees little immediate hope of a slackening in world armament.

All this should be particularly encouraging to the Canadian mining investor who, rightly or wrongly, is suspicious of gold stocks, and is apt to forget that the mining section of the Canadian stock markets lists more than gold producers.

Copper Output Climbs

The British experts are inclined to forecast a further sharp increase in world production of copper. Since all restrictions were dropped in January, output has soared. Northern Rhodesia is now mining copper at the rate of 220,000 tons per annum, and will probably be turning it out at an annual rate of 260,000 tons by the end of the year. Increased production is current in Chile, Russia, Canada, and Belgian Congo. Principal Canadian companies, International Nickel, Noranda, and Hudson Bay Mining & Smelting Co. will all produce more, and several smaller properties, Abana, Aldermac, Granby, Sherritt-Gordon and others have been or are being reopened.

Competition from United States producers is not looked for, that country still being kept in a world of its own, as a copper producer, by the tariff wall of 4 cents per pound, While outside producers may not be able to look to U. S. A. as a market, competition from this country will be materially lessened if the tariff is maintained.

* * *

Lead Rise Slower

As regards lead, the largest increases since the 1925-1929 period are from Yugoslavia, Russia, Canada, Newfoundland, Australia and the United Kingdom, but in no country is the increase as much as 50,000 tons. Canadian output should exceed 200,000 tons for the first time this year. In 1936, Canadian production was about 190,000 tons.

Total world increase in lead is not expected to be large this year, and accordingly output and consumption should remain fairly well in balance, and stocks of lead should keep at around present levels of approximately one and a half month's requirements.

* * *

Zinc Background Good

This year's increase of zinc, as of lead, is expected to be moderate. The countries which show the largest increase in zinc production are the same as those which show the largest increase in lead output, developments being parallel because of the close association of the two metals in most ore occurrences.

It is felt that United States may possibly affect the position of the rest of the world as regards zinc. This country exported 70,000 tons of zinc in 1924, and 60,000 tons in 1925, but only 5,000 tons in 1929, and practically none since then. In the last few months it has even seemed likely that she would have to import zinc, as recorded stocks have been falling from month to month, the present total being only sufficient to meet one week's requirements. If the position is not less stringent in the next few months, it seems inevitable that United States must import for consumption foreign zinc ore or metal.

* * *

Bill No. 5

Quebec's now famous Bill No. 5, under which all mining companies operating in the province must be equipped with Quebec charters, and have their head office in the province, is being opposed not only by mining outside the province, but by mining men in the province, on the ground that it tends to retard development of the industry in that province.

As might be expected, Ontario companies strongly resent this piece of legislation, which is causing them considerable trouble, and in the case of the smaller companies, real hardship. An official of one such company told The Financial Post that the new charter requirements had involved expense of some $2,500 exclusive of clerical work, and exclusive of arrangements for a Quebec head office.

* * *

Index to Mining Stocks

Steady declines in both gold and base metal stocks carried the general price index of 24 mining issues down to new lows for the current year. In fact the gold group dropped to the lowest level touched since Oct., 1935. The recession in golds which has proceeded intermittently since the beginning of last February has been much sharper for speculative than for producing mines. For the latter it has averaged about 25%, while for the speculative group, the figure is close to 50%. The Dominion Bureau of Statistics general price index for 24 mining stocks declined 7.0 to 133.9 for the week ended June 17, with the gold group down 3.6 to 105.2, and base metals off 13.2 to 252.4.

Anglo-Sudbury Nickel Corp. — Should this week be pulling the first core in its diamond drilling programme at the property in Levack twp., Sudbury division, adjoining Inco's Levack mine on the north. Company has completed a geophysical survey of its 1,640-acre holdings and let a drilling contract.

Algold Plans to Mine Ore Body Extensively

Algold Mines plans to mine its ore body by underhand stoping and drop the ore down to the 200-ft. level, from which point it will be trammed to the shaft and hoisted into the mill for treatment, says R. F. Mitchell, mine manager, in his latest report. Preparations for large-scale mining of the west ore body have reached an advanced stage and the raise driven from the 100-ft. sub-level has reached the surface, completing an opening from surface to the 200-ft. level.

A second raise from the 200-ft. level is reported to be well advanced and when this is connected with the original raise two loading chutes will be provided at the 200-ft. level. As soon as the conveyor is complete the mill will be stepped up to its rated capacity of 100 tons. It is presently handling 60-70 tons daily. The engineer estimates that mining and milling costs will run $4-$4.50 per ton, and perhaps less.

Canadian Cash In Copper Deal

Group to Buy Old South African Copper Co.

Some $7.4 millions of Canadian and United States capital has been raised to purchase and develop the old South African Copper Co. in Namaqualand, Union of South Africa, and a new company, O'Okiep Copper Co., has been formed for the purpose.

O'Okiep Copper Co. will purchase the property for $2,667,000, and it is expected that mills and smelting plants will be at capacity by the middle of 1939.

It is understood that Newmont Mining Corp., active in Canadian mining, International Minerals and Metals Corp., American Metals Co., Rhodesian Anglo-American Ltd. and several Canadian sources have agreed to purchase 2,960,000 shares at $2.50, subject to call by directors of the company as funds are needed. Identity of the Canadian group reported co-operating in the refinancing was not available at press time.

It is estimated that the balance of the capital remaining after the original purchase price of the property will be sufficient to bring it into production at the rate of about 26 million pounds of copper a year, and to provide working capital. The property which has, in its lifetime, produced over $20 millions in dividends, has an estimated or reserve of 10.2 million tons, averaging about 2.5 per cent copper. The sponsors believe that possibility of finding further ore bodies exists.

Officers of the new company are H. DeWitt Smith, of Newmont, president; H. K. Hochschild, of American Metal Co., vice-pres.; Fred Searls, Jr., of Newmont, vice-pres.; and Henry E. Dodge, also of Newmont, secretary.

Mining Companies Newly Formed

Aleweo Gold Mines—Ont. incorp. May 5, 1937. H. O., Hamilton. Auth. cap. 50,000 shares, $1 par.

Beverly Mines—B. C. incorp. May 31, 1937. H. O., Second Avenue, Golden, B.C. Auth. cap. 6,000,000 shares, $1 par.

Big Four Mining Synd.—Que. incorp. May 14, 1937. H. O., Montreal. Auth. cap. 15,000 shares, $10 par.

Caminex, Ltd. — Ont. incorp. May 20, 1937. H. O., Toronto. Auth. cap. 50,000 shares n.p.v.

Canadian Beryllium Mines & Alloys—Ont. incorp. May 25, 1937. H. O., Toronto. Auth. cap. 3,000,000 shares, $1 par.

Hopa-Tricia Gold Mines—Ont. incorp. May 21, 1937. H. O., Toronto. Auth. cap. 500,000 shares, $1 par.

McDame Creek Gold Mines—B. C. incorp. May 21, 1937. H. O., c/o Consolidated Mining & Smelting Co. of Canada, Tadanac, B.C. Auth. cap. 2,000,000 shares, $1 par.

Moncar Mining Co.—Ont. incorp. May 27, 1937. H. O., Hamilton. Auth. cap. 50,000 shares, $1 par.

Richard Mining & Development Co.—Que. incorp. May 15, 1937. H. O., Montreal. Auth. cap. 3,000,000 shares, $1 par.

Turnwest Oil Syndicate—B. C. incorp. May 27, 1937. H. O., 826 Standard Bank Bldg., 510 Hastings St. W., Vancouver, B.C. Auth. cap. 1,000 shares, $10 par.

Bernice Lake Gold Mines—Ont. incorp. May 7, 1937. H. O., Toronto. Auth. cap 10,000 shares, $5 par.

Colborne Goudreau Explorations — Ont. incorp. May 8, 1937. H. O., Toronto. Auth. cap. 10,000 shares, n.p.v.

Ontario Gold Production Over $7 Millions in May

Hollinger, Lake Shore, Young-Davidson and Pickle Crow head the list of Ontario's producing gold mines in output for May, according to the gold bulletin issued by the Ontario department of mines covering production during last month. The four properties mentioned above are in the vanguard of producers in the Porcupine, Kirkland Lake, Matachewan and northwestern Ontario mining camps, respectively.

The Porcupine area is credited in the report with 10 producers, Kirklake 11, Matachewan two and northwestern Ontario 18. Comparative figures covering the monthly output of Ontario's gold mines during 1936-1937 follow:

	1936 Tons Milled	1936 Value $	1937 Tons Milled	1937 Value $
Porcupine Camp:				
Jan.	321,654	2,654,617	360,997	3,166,931
Feb.	311,340	2,618,662	326,558	3,116,903
Mar.	330,163	2,811,129	357,997	3,318,759
Apr.	320,479	2,976,709	350,011	3,072,697
May	331,735	2,797,688	349,964	3,206,201
Kirkland Lake Camp:				
Jan.	166,080	2,767,180	195,295	2,961,649
Feb.	161,112	2,700,890	169,598	2,784,962
Mar.	189,606	2,996,610	194,223	2,979,568
Apr.	176,323	2,796,423	189,005	2,911,285
May	187,694	2,836,312	202,583	3,023,121
Matachewan:				
Jan.	29,280	116,704	36,509	134,021
Feb.	27,863	111,182	33,935	132,337
Mar.	33,363	136,847	38,899	133,366
Apr.	32,920	133,437	37,747	144,729
May	31,279	104,538	40,430	164,202
Northwestern Ontario:				
Jan.	88,541	695,913	98,545	857,409
Feb.	82,830	680,272	92,185	861,402
Mar.	89,147	769,920	101,623	876,701
Apr.	86,771	740,166	99,051	850,877
May	89,991	773,263	106,339	922,275
Total For Ontario:				
Jan.	605,555	6,234,414	691,346	7,120,010
Feb.	583,145	6,111,006	622,276	6,895,604
Mar.	642,279	6,714,506	692,742	7,308,394
Apr.	616,493	6,646,735	675,814	6,979,588
May	640,699	6,511,801	699,316	7,315,799

Larder Lake Property

Pelangio Larder Lake Mines, east and north of Kerr-Addison and Chesterville, has cut favorable formation in its No. 1 diamond drill hole which is said to be identical with that in which Kerr-Addison deposits have been found. This formation is in the break which was thought to run through the ground. Surface prospecting has revealed 2 other such zones, which will be drilled later.

Home Gas & Oil Ltd. Holds Annual Meeting

Homestead Oil & Gas Ltd., at the annual meeting in Toronto recently, presented a balance sheet as of April 30, 1937, showing total current assets of $11,465, against current liabilities of $1,245. Current assets included cash of $9,323; accounts receivable, $442, and inventories of $1,700. In addition investments in and advances to other companies, plus fixed assets, bring total assets to $549,999. The balance sheet showed 1,324,000 shares of the 1.5 million share ($1 par) capitalization, outstanding.

Options are outstanding on 126,000 shares of stock.

News Concentrates

Altura Gold Mines—In Red Lake area, has sunk its shaft to the present objective of 250 ft. and is cutting a sump before beginning a crosscut across the zone from which drifting on the vein will be done. The results obtained in surface sampling and shaft sinking are said to warrant testing by lateral development. Previous work indicated interesting values, estimated to run $25 a ton across 6 ft. for a length of 200 ft.

* * *

Aquarius Porcupine — Capitalized at 5,000,000 shares, of which 2,600,000 were issued as at Oct., 1936, reached 290 ft. in diamond drill hole No. 9 early this month. The hole is said to be entirely in greywacke with a narrow conglomerate band. Aquarius is east of Night Hawk Lake in the Porcupine district, and adjoins Electra Porcupine. Fred Towsley is directing work at both properties.

* * *

Armistice Gold Mines—Capitalized at 5,000,000 shares, 2,000,000 of which have been issued to the vendors, Minefinders Ltd. completed 982 ft. of diamond drilling at its Larder Lake property during May. Some assay values, as anticipated, were obtained from hole No. 4, which was completed to 490 ft. No. 5 hole was stopped at 477 ft., and No. 6 hole has been spotted 1,400 ft. west of No. 5.

* * *

Barber-Larder Lake — Capitalized at 3,000,000 shares, has so far had inconclusive results from its surface work and diamond drilling on the 8-claim property in McGarry twp., Larder Lake mining division. It is expected that considerable additional work will be necessary to disclose the property's potentialities. For the group the company gave 1,000,000 shares and $10,000.

* * *

Dempsey Cadillac Mines—Is advised to discontinue underground work in order to conserve resources and to confine present work to the southern part of the property in a report issued by W. W. Schnan, superintendent, and G. F. Flaherty, consulting geologist. The section upon which further work is recommended is 1½ miles south of the present workings, and here a length of 1,320 ft. of the Cadillac south greenstone belt has already given one favorable intersection, assaying $12.25 over 2½ ft. of drill core.

* * *

Quebec Manitou—Has cut what is described by A. W. Jackell, consultant, as "spectacular" ore at a vertical depth of 350 ft. in diamond drill hole No. 25 on its Bourlamaque twp. property. The intersection averaged 11.15% zinc and 2.39 oz. gold per ton over a core length of 30.3 ft., or true width of about 25 ft., according to the report. Assays are expected shortly from holes Nos. 24, 26 and 27. No. 24 hole is in the same locality as No. 25, and was spotted to cut the No. 1 zone at a vertical depth of 500 ft.

* * *

Doreva Gold Mines — Capitalized at 4,000,000 shares, of which 1,991,355 were issued as at Oct., 1936, with 1,400,000 of these pooled, reports that the crosscut on the 150 ft. level shows No. 1 vein width at 14 ft., with visible gold in evidence. It is recommended that the shaft be deepened to 300 ft. Carl F. Dietz, president, estimates that at the present rate of progress everything should be ready by the middle of July to resume sinking operations.

* * *

Harpers Malartic Gold Mines — With holdings of about 1,200 acres adjoining Dubuisson Goldfields in Malartic twp., Quebec, has uncovered a new quartz vein in addition to a silicified zone northwest of the camp, says J. M. Harper, Jr., in a progress report. On the southeast part of the property another silicified zone, apparently well mineralized, has been located. These showings are to be blasted into and sampled.

* * *

MacFarlane Long Lac—Will begin sinking operations immediately on the property at the eastern end of the Beardmore-Little Long Lac belt, it is announced. All necessary equipment has been delivered to Long Lac station and is being transported to the property.

* * *

Mackey Point Gold Mines — Will enlarge the scope of its operations on the Michipicoten property, as recent diamond drilling has given results warranting further development, it is reported. Previous drilling on what is known as the Root Lens gave values as high as $8.75 across 5 ft. 7 in. Eight surface channel samples from this vein returned values ranging from 35 cents to $23.80 across widths of 27 to 36 in.

* * *

Porcupine McNabb Gold Mines—Having completed 10,000 ft. of diamond drilling on the property in the Night Hawk Lake section of Porcupine district, is now making plans for shaft sinking. Across widths of 10 to 30 ft. for length of 2,000 ft. values ranging from $2.40 to $18.50 were obtained, to a depth of 300 ft.

Your Mining Stocks

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Wesko Mines

I would be obliged if you would publish a brief report on Wesko Mines, where and what is this property?

Wesko Mines holds 20 Crown-granted claims, 155 un-Crown-granted and nine lease claims in the Ymir district and the Sheep River area of British Columbia.

The Centre Star property, of 12 claims, has been opened up by two adits; a 560 foot or mill level adit and the 300 level adit and three sub-levels. On the 560-foot level aggregate ore lengths opened up a total of 650 feet. On the 360-foot level the east drift to the number one fault has opened up 68 feet of ore averaging approximately 0.4 ounces per ton across a width of 4½ feet. The same ore is being developed on the 435 foot or middle sub-level.

A new 100-ton flotation unit was placed in production Oct. 16, 1936, and a cyanide plant started on Dec. 29, 1936. April production grossed some $28,000. Substantial payments on the loan are being made monthly and the company hopes to be free of debt by the end of the year. For more complete analysis of this company we refer you to a general article on the Ymir Camps appearing in our issue of May 29.

Area Mines

My husband, on his death, bequeathed me, among other securities, some shares in Area Mines. Could you give me an estimate of the importance of these shares? What is the company doing?

On the property of Area Mines, last year Ventures Ltd. did considerable drilling, but results were inconclusive. Area still has some shares of Waite-Amulet in its treasury, and we understand that the company disposed of some of its holdings at good prices. As well as this, Area purchased some other stocks which have a value of approximately $15,000.

We also are informed that Area, apart from its stock holdings, has a little cash in the treasury. There is no work going on at the property at present and any future development depends upon the possibility that Ventures may decide to undertake further work on Area. This, of course, is problematical.

Darwin Gold Mines

I hold some stock in Darwin Gold Mines, purchased some time ago. The market record has not been very satisfactory and I would appreciate getting your views on this proposition.

The outlook for Darwin Gold Mines cannot be regarded as very encouraging at present. The management has apparently made every effort to prove up the property minewise, but one of the difficulties faced has been the fact that the gold occurs in widely disseminated and narrow stringers, and this makes for difficulty in mining and metallurgical treatment. The property consists of 1,360 acres in the Michipicoten area of Ontario, and though work is still being carried on, no noteworthy results have as yet been announced. The property is an old one, and there is an 800 ft. mining plant, a 50-ton mill and a complete camp on it. While Darwin is still carrying on development work, the outlook, for the present at least, is not bright.

Work at Darwin is at present being concentrated on sinking an inclined winze from the new No. 2 east-west vein, located early in the summer of 1936 on the sixth level, on the vein from the eighth level. Monthly production shows considerable fluctuation, running this year from $16,000 to $31,000.

Lebel Oro

A client of our is interested in Lebel Oro Mines. He bought this stock a few months ago on the recommendation of a mining broker but the market value has steadily fallen since he purchased it. Will you be good enough to advise us whether in your opinion this stock is good for a hold or whether it would be advisable to sell now and avoid further loss?

Lebel Oro was formed to develop 222 acres in Lebel Township, Kirkland Lake district of Ontario. A shaft was sunk to a depth of 200 feet and a level established. In Sept., 1933, the former producing property of Long Lake Gold Mines, comprising 395 acres, was acquired from C. D. Kaeding and Eldon Brown, in consideration of cash equivalent to expenditures and a block of stock.

Development work was resumed in Sept., 1933 on the Long Lake property. The engineer reports that the faulting problem has not yet been solved. A new shaft was completed to 200 feet in Aug., 1936; the old shaft is down 200 feet, and an inclined winze has been continued down another 165 feet, where drilling has indicated encouraging values.

At the Kirkland Lake property the shaft has been dewatered and reconditioned, and, although drilling from the 200-foot level did not reveal ore of commercial value, the extension of the Bidgood formation was picked up.

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New Acid Treatment More Than Doubles Flow of Oil at T. V. R.

Turner Valley Operation Affords Interesting Case History of What Can Happen if Success Is Attained

By PETER FISHER

CALGARY. — Turner Valley Royalties, initial crude producer of the Turner Valley oil field has started on its new life with a clean slate.

One year ago (June 16, 1936) it blew in after drilling costs had mounted to $143,000.

In five months, yielding an average of 550 barrels per day, it paid for itself.

On June 19, 1937, it was acidized and blew in for the second time with a production of 4,000 barrels a day, settling down to a steady production estimated at better than 2,000 barrels a day.

In 11½ months, from June 16, 1936, to May 31, 1937, the well produced 243,282 barrels of oil, bringing $1.75 per barrel at the wellhead. Sale of the oil to the British American plant brought a net revenue of $403,273 after line loss and other small charges were deducted.

Sixty-five per cent of this revenue was paid to the trust company for distribution to the net royalty holders and to meet production expenses at the well after drilling was completed.

Distribution of Revenue

The other 35% of the total revenue went to pay various gross royalties, 10% of all production being swept into the coffers of the Alberta Government. The leaseholders received a distribution of 4½% and 12½% went back into the company for miscellaneous expenses. The balance of the 35% was divided among minor gross royalty holders.

Of the 65% paid to the trust company something over $50,000 was needed for post drilling expenses. Tanks to store the oil, tubing for the well and other equipment to handle production amounted alone to about $25,000. Wages for the crew which operates the well runs to about $1,000 a month.

After this deduction approximately $200,000 was distributed to investors. Five and a half months after completion of the well, every cent put up by the investors had been returned. In the six months since then, that profit has amounted to nearly as much again as the original investment.

Of course, up to the middle of June, every month following completion saw a slight decrease in returns as production fell off—from about 800 barrels a day for the two or three months to just over 500 a day for this last month. Then on June 19 the well was acidized and production soared in a few hours to more than 2,000 barrels per day. What that means to the royalty holders in an already good paying well is that now they really have two oil wells. The first and smallest is sufficient to give them 200% a year on their investment. The second, based on the figures provided by the first well, now appears ready and willing to give them, in addition to that, a further amount, nearly three times as big and which required no investment to produce. The acidizing job itself cost less than $3,000, which will be paid for by the extra production alone in a few days.

Results at Foundation

Foundation will probably be the next major well to undergo the acid test. Foundation has returned 6% to the shareholders by way of two dividends, one for eight-tenths of a cent and a second of seven-tenths on 25-cent shares. Foundation, with smaller production, but the same drilling and production expenses at T.V.R., experienced considerable trouble with a jammed bailer, which ate into the returns. The trouble is history now and the future appears clear sailing. At the time of writing, Foundation is being prepared for acidation. Judging by results obtained from similar treatments at Sterling-Pacific No. 3 and Westside Royalties, production may be increased from 225 barrels a day to double or more than that.

Westside Royalties was completed some three months ago and has since then produced an average of 225 barrels of crude oil a day. Near the first of June the well was acidized at a cost of about $2,000. For a week following acidation the well produced at an average of about 425 barrels a day. At the time of writing, it appears likely that it will settle down to not less than 350 barrels. The extra production alone for the one week has more than paid the cost of acidizing.

On the other side of the picture are Newfold, and many other failures. After spending a similar amount as the wells named above, to drill it to completion and install production equipment, the well failed to produce. More expense was incurred when the well was first shot and then acidized in an effort to find production. No oil was found and the well has been accepted as a failure. It will never show a profit, but there may be enough gas and naphtha, it is claimed, to pay some of the cost of the well.

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Mining Society of N.S. Celebrates Its Jubilee

The Mining Society of Nova Scotia, affiliated with the Canadian Institute of Mining and Metallurgy, observed its golden jubilee in Halifax from June 21 to 23. This society is the oldest mining fraternity in Canada and is a direct outgrowth of the Gold Miners Club of Nova Scotia, organized in March, 1887, when the gold mining industry was most prominent in Nova Scotia. In keeping with this jubilee, the June bulletin of the Canadian Institute of Mining and Metallurgy is devoted largely to a comprehensive cross-section of the Nova Scotia mining industry, including a detailed history of the Society written by Harry Piers, Provincial Museum, Halifax.

East Malartic Mines Progress in Underground

From Our Own Correspondent

MONTREAL.—In a progress report covering the period May 1 to 15, J. P. Norrie, general manager of East Malartic Mines, reports the ore in drift 2-8 east was extended 25 ft. in ore of drift width and $8.05 grade.

Raise 2-6R1 was advanced 69.7 ft. in ore, the width of the raise of good grade. Coarse gold was encountered in this drive.

The Boundary ore body was extended to 800 ft. in length in hole 53-A and 56.

Quebec Gold Mining Elects Officers for 1937

From Our Own Correspondent

MONTREAL.—Quebec Gold Mining Corp. announce that the following have been elected officers and directors of the company for the year 1937: Gustave H. Rainville, president and director; Messmore Kendall, vice-president and director; W. P. Rapley, secretary-treasurer and director; R. M. Macaulay, James Y. Murdoch, K.C., Jules R. Timmins, George Armsby, directors; J. M. Roe, assistant secretary and assistant treasurer.

Easy Field Test For Gold Values

Special Skill and Costly Equipment Not Required

A simple field test for determining the presence of gold in ore by the use of equipment costing less than $5 and requiring no special skill, is described in a paper published in the June bulletin of the Canadian Institute of Mining and Metallurgy.

By the use of this simple test the prospector is enabled to determine whether the ore contains more than $2 of gold per ton, and thus enables him to form some opinion of the value of his discovery, without having to send the samples to an assay office.

The test, as described, consists of taking approximately two pounds of the mineralized rock and powdering it as fine as possible. The powder is panned in the usual manner and the heavy mineral concentrated. As much of the concentration as can be held on a 25-cent piece is placed in an ordinary test tube which is about one third filled with a 10% solution of iodine.

The whole is heated for about 10 minutes without boiling and then allowed to stand until it becomes clear. By means of an eye-dropper the solution is evaporated drop by drop on a hot watch glass. If gold is present in excess of $2 per ton, a gold mirror will be formed on the watch glass. The absence of such a mirror, after successive tests, indicates that little or no gold is present.

Step Up Output At Stadacona

June Production Expected to Reach $60,000 This Year

From Our Own Correspondent

MONTREAL.—Stadacona Rouyn Mines mill is treating in excess of 300 tons of ore daily and June production is expected to set a record of more than $60,000, as against approximately $35,000 for May, according to an official report issued by Roy Anderson, managing director. One brick was poured on June 10, valued at around $23,000, and two more are scheduled to be poured before the end of this month.

Development work, particularly in the western part of the mine, is adding further to the quantity and average grade of ore reserves, according to the official statement. Confirming upward extension of the high-grade ore, opened up west of the diabase dyke on the 300- and 450-ft. levels, a test hole in the wall of a raise that is being carried up in that section from the 300-ft. level showed intersections running $39.90 and $62.30 respectively over widths of three feet each. Similarly, drilling in the last western face on the 300-ft. level showed 10 ft. of $7 ore 100 ft. farther to the west. On the 600-ft. level, the drift is now 20 ft. in the diabase dyke, with 40 ft. still to go before the other side of the dyke is reached. Drilling has already indicated that the downward extension, if anything, is wider here than on the upper levels.

Mining Company Reports

S. A. Gold & Platinum

South American Gold & Platinum Co., a holding company, engaged through subsidiaries in dredging on gold and platinum properties in the Choco district, Republic of Colombia, South America, and whose stock is listed on the Toronto, New York, and London Exchanges, shows, in its annual report for the year ended Dec. 31, 1936, materially improved earnings position, net profit for the year amounting to about 35 cents per share as against 19 cents per share the previous year. Thus the company was able to meet its dividend of 30 cents per share per annum, with a comfortable margin.

At the same time the cash position of the company remains strong, working capital at the end of the year amounting to $1,679,404, as compared with $1,992,667 at the end of 1935.

The dredge which sank as a total loss last December has been paid for in full by insurance and is being replaced. A fifth dredge is expected to begin operations about July 1.

The following profit and loss statement shows the comparative earnings position of the company for the two years 1935 and 1936:

Consol. Profit & Loss Statement
Years Ended Dec. 31

	1936 $	1935 $
Proceeds, sale of metals	2,180,780	1,698,720
Less: Cost of metals sold*	788,293	612,156
Colombian Platinum tax	46,662	18,745
Freight insur., etc.	22,738	18,445
Operating profit	1,323,127	1,049,374
Add: Other income	10,428	5,723
Less: Adminis. & gen. expenses	110,394	92,396
Prop. examination w/o	50,421	31,659
Misc. expenses	2,353	5,255
Taxes paid or accr.	169,176	124,649
Net foreign exch. adjust.	5,061	53,975
Addit. to reserve for conting.	......	15,820
Depr. plant & equip.	170,973	179,034
Amort., devel. & prel. exps.	26,950	26,950
Deplet. of mng. prop.	107,525	117,296
Min. int. in subsids.	67,403	71,879
Net profit	623,297	336,184
Less dividends	528,000	528,000
Surplus for year	95,297	†191,816
Add: Prev. surplus	1,959,943	2,111,491
Trans. from reserve against stated value of properties	65,843	67,890
Min. int. adjusts.	......	12,072
Less: Addit. inc. taxes	18,519	2,731
Addit. to res. for conting.	27,997	2,464
List. & regis. exps.	......	34,490
Balance forward	2,074,867	1,959,943
Earnings per Share & Dividend Record:		
Earned	$0.35	$0.19
Paid	0.30	0.30

*Represented by cost of operations of $757,666 plus decrease in inventory of $30,627 in 1936 and by cost of operations of $673,965 less increase in inventory of $61,809 in 1935. †Deficit.

During the three months ended March 31, 1937, the consolidated net income of the company amounted to $217,415, equivalent to about 12.3 cents per share on the 1,760,000 shares outstanding. During this period, of course, production came from only three dredges instead of the usual four, and proposed five dredges.

Model Oils

Net profit of $14,087, after allowing $26,570 for depreciation and writing off $30,227 as depletion allowance, is shown by the annual report of Model Oils for the year ending May 31, 1937. This figure compares with a net profit of $21,199 for 1936, but the decrease is largely accounted for by the reduced price of the product obtained in Turner Valley and the difficulties encountered in disposing of the oil in the Red Coulee area.

William C. Fisher, managing director, states that production from the company's Turner Valley wells is being maintained at about 4,700 bbls. per month, while its Red Coulee wells are producing at approximately 1,800 bbls. monthly. Holdings include acreage in Turner Valley, Steveville, Moose Dome, Watson, Anaconda and Ranchmen's fields. Model-Spooner-Reward well is now down 2,320 ft., Moose Dome No. 2 is drilling at 870 ft., the Mar Jon well at 5,308 ft. and the Ranchmen's well at 7,135 ft.

During the year the company was successful in completing contracts providing for the sale of its production from Turner Valley and from Montana until March 1, 1939, thus assuring it of a steady income until that date, says Mr. Fisher. Model Oils has a contingent liability of $21,623, representing the unpaid balance on rotary equipment

Income and Surplus Account
Years Ended May 31

	1937 $	1936 $
Revenue from oil sale	156,796	187,865
Less: Production exp.	27,040	24,016
Oper. revenue (net)	129,756	163,849
Less: Royalties paid	35,846	50,501
Add: Transfer fees	536	60
Interest received	21	64
Rental of equipment	60	......
Less: Office expenses	12,138	12,019
	82,389	101,453
Less: Insurance	1,158	1,826
Taxes	2,027	1,571
Dom. income tax	2,105	4,408
Prov. income tax	......	2,855
U. S. income tax	307	......
Res. for inc. tax	3,315	......
Legal & audit fees	1,500	1,133
Directors' fees	2,880	2,880
Exchange	431	1,258
Lease rentals	1,204	1,351
Travelling exps.	703	655
Divd. & annual meet. expense	1,038	312
Workmen's Compensation Board	456	690
	66,543	82,516
Int. on def. liabs.	148	697
Depletion on wells	30,237	31,340
Depreciation	26,570	26,950
Bad debts written off	......	2,330
Profit for period	9,588	21,199
Less: Divd. approp.	29,865	......
Surplus	*20,277	21,199
Add: Prev. surplus	1,146	......
Capital surplus:	......	2,681
Sale of assets profit	527	......
Adjust., No. 2 well contract	2,512	......
Loss on bonds sold	......	563
Investments w/o	......	55,250
Balance forward	*16,092	1,146

*Loss or deficit.

Note:—The auditor's statement in 1937 and 1936 places income tax in the surplus account, thus showing a net profit of $14,037 in 1937 and $28,459 in 1936 carried to surplus account

Earnings per Share & Dividend Record:

Earned	$0.01	$0.02
Paid	0.03	nil

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Ardeen Property To be Auctioned

Final chapter in the interesting history of the Ardeen Gold Mines property, will be written on July 8 when the property will be put up for auction en bloc. Since this company made an assignment on Dec. 11, 1936, the property has been kept dewatered, so that interested parties may examine it. The total claims against the company amount to approximately $135,000, including preferred claims of approximately $25,000 and unsecured claims of $107,000. Henry G. White, president, is the principal creditor.

Toronto Lists Uchi Gold Unit

Hammell Company Has $375,000 Current Assets

Stock of Uchi Gold Mines has been listed on the Toronto Stock Exchange, trading having started June 18.

Uchi is capitalized at 3,000,000 shares $1 par. A total of 1.5 million shares were allotted on January 21 for the property and 750,000 shares sold for cash. Total number of shares issued to date is 2,250,006. The 750,000 shares were sold for 50 cents a share, realizing $375,000 to the company. Vendor stock is in pool.

On the property in the Patricia portion of the Kenora district, surface work and approximately 7,000 feet of diamond drilling has been accomplished. Drilling has been carried out to a vertical depth of 500 feet. A two-compartment shaft, 110 feet deep was sunk and 100 feet of cross cutting and approximately 300 feet of drifting done. Plans call for the sinking of the present shaft to 600 feet, establishing levels at 150-foot intervals and doing 1,500 feet of drifting on each level. From this drifting short, flat holes will be drilled at 25-foot intervals across the ore zone to delineate the ore body. It is expected that this work will be far enough advanced by next fall to decide on the size and type of mill necessary for future operations.

At March 1, 1937, current assets consisted of $375,000 cash against no current liabilities. Officers of the company are as follows: John E. Hammell, president; A. L. Smith, vice-president; Robert Fennell, secretary-treasurer; all of Toronto. In addition to the above, directors are Ben Budgeon, of Toronto, and Eola Hammell, of Oakville.

Normetal Mining Corp. Sells Block of Shares

From Our Own Correspondent

MONTREAL. — Normetal Mining Corp. has notified the Montreal Curb Market that 50,000 shares of treasury stock have been issued at 75 cents per share under the terms of the underwriting agreement. The issued capital stock now stands at 3,063,118 shares, and 694,362 shares remain to be taken up at 75 cents per share under the firm underwriting agreement.

New 200-ton Mill Tuned Up by Delnite

The new 200-ton mill at Delnite Mines, Porcupine subsidiary of Sylvanite Gold Mines, is being tuned up. Millfeed is coming from the ore dump at present and it is expected that it will be about a month before production is stabilized. The No. 2 shaft has practically reached the objective of 1,000 feet.

Gold Crest Mines adjoining the Fondulac property on the northeast shore of Lake Athabaska, proposes shortly to drill a gold discovery which at the point of disclosure returned $19.25 in gold in channel sampling across 36 inches.

Ronda Nears Goal in Shaft

Drifting Temporarily Suspended on 300-foot Level

From Our Own Correspondent

SUDBURY. — The new internal shaft being sunk from the 300-ft. level of the Ronda Gold Mines, in the West Shining Tree area, has passed the 425-ft. horizon on its way to 550 ft. The objective is expected to be reached by the middle of July, according to President Dickenson, who was in Sudbury over the weekend following a visit to the mine.

A station has been cut at the 425-ft. level and at the time of Mr. Dickenson's visit the opening had been sunk about 20 ft. below that point.

For the present, drifting has been suspended on the 300-ft. level and work is being concentrated on the shaft-sinking. When a station is cut at the 550-ft. level, it is the intention to commence lateral work on the two lower levels. The shaft is expected to intersect the vein on its way to the 550-ft. horizon, and a comparatively short crosscut will be necessary at that level.

Ultimately, it is the intention of the management to raise the shaft from the 300-ft. level to the surface, to constitute the main shaft and provide more economic operations. At present Ronda has a force of 43 men on the payroll, and the shaft-sinking is being performed under contract.

Current Chatter From Manitoba

From Our Own Correspondent

WINNIPEG.—There will be no delay at Gurney Gold Mines by reason of the fire which recently destroyed the power house, change house and water tower, according to officials of the company. The loss was fully covered by insurance and the buildings are being replaced as rapidly as possible.

• • •

Parka Gold to Drill

The Parka Gold Mines, adjoining Gurney Gold Mines on the west, is to be drilled immediately. Newton-Wylie Diamond Drillers leave for the property this week to do 2,000 feet of drilling. When this is completed, Newton-Wylie intends to thoroughly drill the Parka crosscutting the formation.

• • •

Alcona Closes Down

Alcona Gold Mines is closing down. Work done so far is said to have indicated that the property might be made into a mine. Much more money is needed, however, and while the company is not short and leaves no unpaid accounts, it is not prepared at the moment to provide further finances.

Minaura Mines—In Skead twp., Boston Creek area, has encountered high-grade ore 6 ft. wide, 4 ft. of which is reported to be quite rich, word from the property says.

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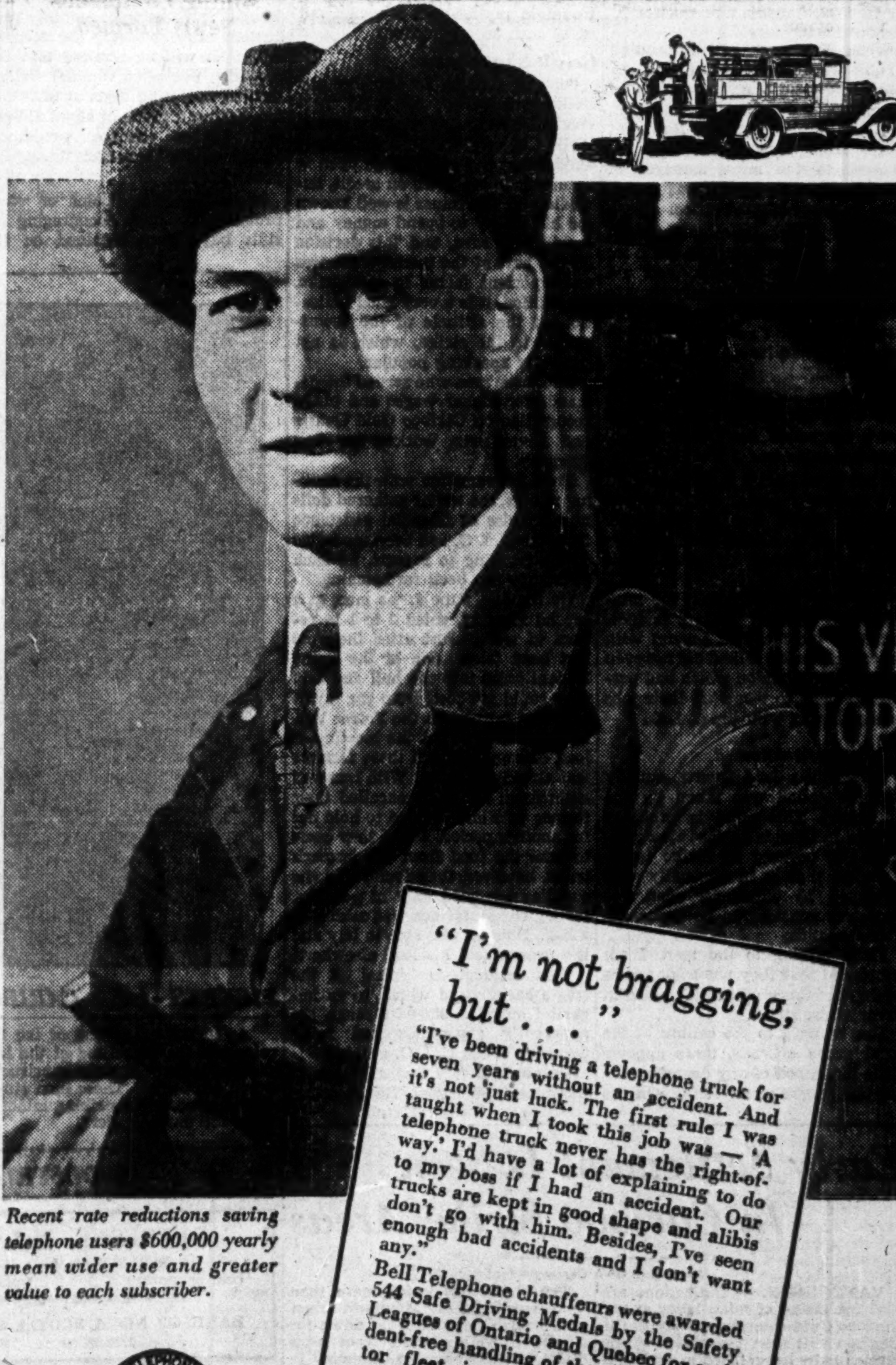

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THE BELL TELEPHONE COMPANY OF CANADA

C. I. O. Tests Strength at Cariboo

Miners in B. C. Camp Face Crisis as Strike Continues—Merchants Shut Down on Credit, Strike Funds Reported Very Meagre

By WILFRID SANDERS
Mining Editor, The Financial Post

The name Cariboo, which, over 75 years ago, spread the fame of Canadian gold mining around the world, is again a centre of interest in mining circles.

By design or accident, the town of Wells, B.C., is the arena in which the Committee for Industrial Organization is testing its strength against the Canadian mining industry.

Even before the C. I. O. threw the Cariboo into the spotlight, this old camp had been making mining news, owing to the revival of placer, and, more important, the successful transformation from alluvial to lode mining.

The recent C. I. O. strike is of more than usual significance because it afforded the Canadian miner and the Canadian mine owner his first taste of the tactics used by this Lewis-promoted organization.

400 Out of Work

Besides several small private placer operations, the area around Wells (four miles from the old town of Barkerville, of Cariboo gold rush fame) has had two lode or underground operations, Cariboo Gold Quartz and Island Mountain Mines, the latter a subsidiary of Newmount Corp. These were the two companies whose men, some 400 in all, were suddenly precipitated into a strike by the newly formed Wells Miners Local No. 253 of the International Mine, Mill and Smelter Workers Union.

The issue at stake was officially said to be higher wages, and recognition of the union. The real issue, of course, from the point of view of Canadian mining, was the ability of the C. I. O. to install itself as a power in the Canadian mining industry.

Prior to the strike, wage scale in force in this camp called for payment of $4.75 a day to muckers (men who shovel the ore into the cars for hoisting to the surface), and $5.25 a day to miners who break down the ore from the face of the drift. The union demanded a general 50-cent per day increase.

The wage scale in effect at Cariboo is slightly lower than that prevailing at Bridge River, but The Post understands that smaller deductions for board, etc., make the Cariboo wage scale the highest net in the province.

When rumors of impending trouble were first heard in the Cariboo, some time after the middle of last May, the following telegram, sent by an official of Newmont Corp. from New York, and addressed to the mine manager of Island Mountain Mines, was posted outside the town post office.

"If Island Mountain employees decide they are unwilling to work for the present wage scale, you are authorized to take necessary steps to close down the mine and plant and boarding house as soon as employees are able to leave, for an indefinite period."

Cariboo miners, inexperienced in the ways of "labor organization," were persuaded by the organizers that this wire was a bluff.

That it was not a bluff is now all too tragically clear. Island Mountain is closed for an indefinite period, and it will not reopen unless the men decide to drop their demands.

Just how inexperienced the miners were in such matters is indicated by the fact that several with whom the writer talked did not even know that the union which had persuaded them to throw up their jobs was affiliated with the C. I. O.

Strike Insurance

At Cariboo Gold Quartz, equally decisive action was taken by the operators. This mine is probably unique in Canada in that its operations are covered by strike insurance, so that it is unusually well equipped to withstand what the operators consider to be unreasonable demands.

From talking to the men, I am convinced that they were not aware of this insurance when they voted in favor of the strike.

Due entirely to the calibre of the local union officials, there appears little likelihood of any disorder during the course of the strike. On the day the strike was called, gambling "joints" and bootleggers, of which Wells, like every mining town, has its share, were closed by the order of the men themselves. Government-licensed beer parlors were closed.

Prior to calling the strike, the union sent the following questionnaire to the management of both mines:

"1. Do you want to take up negotiations with us?

"2. What notice do you want of a strike being called?

"3. Do you want to make provision for union maintenance men?

"4. We will apply for a conciliation board. Will you do the same?"

To the first question, both mines replied "no." To the second, both replied "none." To the third, the companies replied that they would make their own provision for maintenance men during the course of the strike. Cariboo Gold Quartz, to question 4, replied they would consider such an application. Island Mountain replied that it would not make such an application.

Credit Shut Down

On the evening of the day the strike was called, all local merchants of Wells and vicinity met in Wells Hotel, and unanimously agreed that the only course open to them was to cut down on credit, immediately. The miner is well known for his ability to spend money and inability to save, and this decision on the part of the townspeople was an important factor in the strike. In addition, it is a very good indication of the attitude of the townspeople to the strike, which is not generally speaking popular.

The three men who served the demands for higher wages and union recognition on Cariboo Gold Quartz had never even worked for that company.

From conversation with the striking miners, the writer gathered definite promise of financial assistance from the C. I. O. had been made. To date, according to reports, no such assistance has been forthcoming.

On Sunday, June 6, the men, at a special meeting, voted 2 to 1 to return to work. Just after the vote had been taken, one of the union leaders came into the hall and said they could get food from the "sympathetic" farmers in the Fraser Valley. In fact, he told the meeting, a load of supplies from these farmers was already in camp. With renewed enthusiasm the men cancelled their former vote and decided to hold out for another period. When they came to take the food from the farmer's truck, however, they found that the supplies consisted only of potatoes, for which the farmer was asking $1 a bag. Nobody was able to buy and the farmer sold his load elsewhere.

This incident is typical of the tragic background which, to an impartial outsider, shows through the apparently groundless and futile demands of the C. I. O. union.

Despite the fact that all work at the mines had ceased, The Post was able to examine the lode operations.

At Cariboo Gold Quartz, the mine was probably in better shape than it has ever been.

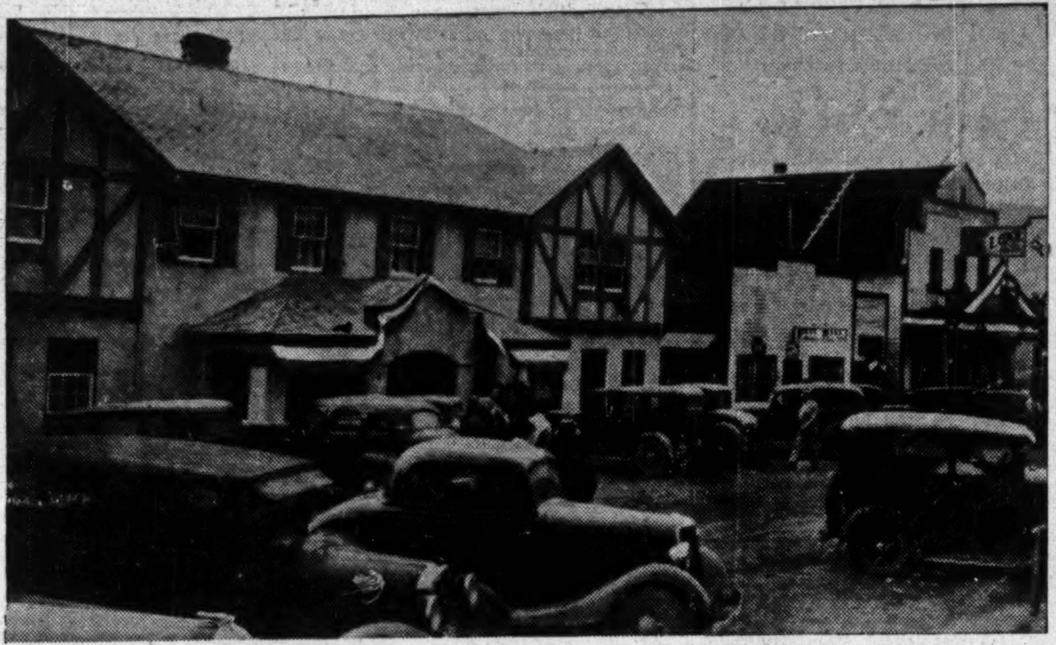
Prior to the shutdown, the mill was handling an average of 230 tons daily, with installations just completed to boost the capacity to 275 tons per day. April production was $91,800, and recently installed additions to mill equipment would, it was thought, have brought monthly production fairly close to the $100,000 mark. It will be recalled that the recently published annual report showed operating costs at $7.28 per ton, against a grade of about $14 per ton. Higher tonnage would, of course, reduce these costs during the present year.

From the mine point of view, probably the most encouraging results have been obtained on the 1,700-ft. level. The annual report of the company showed that excellent results had been obtained in the Rainbow fault section on this level. Work since the report was issued has furthered the good development in this section, and a length of some 200 ft., with an average grade of about .6 ounces, and a width of eight ft. has been exposed. Similar conditions, with slightly higher widths are being uncovered on the 1,600-ft. level.

When it is recalled that on the upper levels, this ore body was much narrower and generally weaker, the significance of the new developments on the lower levels will be appreciated.

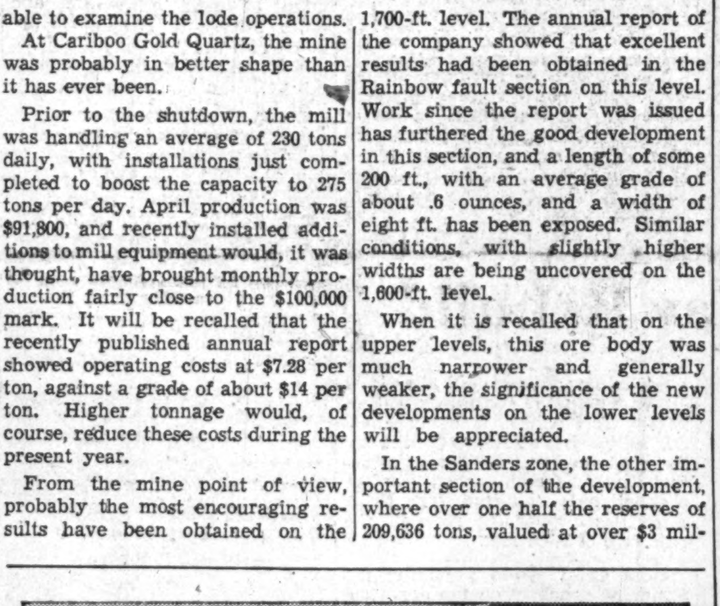
In the Sanders zone, the other important section of the development, where over one half the reserves of 209,636 tons, valued at over $3 millions, were located, development continues to be encouraging.

Island Mountain Mines, which was, prior to the strike, milling about 125 tons daily, for a monthly production which in April amounted to $53,725, was still attempting to build up its ore reserves. At the end of the year, these reserves stood at 32,756 tons, with an average grade of 0.426 ounces per ton, a noticeable decline from previous years. However, some encouragement was being obtained on the 125-foot level below the adit level, where the downward continuation of the high-grade limestone replacement ore bodies were located. Most of the millfeed was still coming from the quartz veins, but the new development would, it was hoped, increase recovery from the present approximate $14 per ton, and serve to bolster the ore reserve. The company employed about 130 men.



FROM BUSH TO TOWN IN TWO YEARS

The modern little town of Wells, now the centre of activities in the Cariboo gold camp of British Columbia, was, in 1934, a small clearing in the bush. Two years later it was a modern, busy little town. This remarkable change has been recorded in the two photographs shown above. In the lower picture is the townsite as it appeared on April 20, 1934. The man shown in the right foreground is A. McDonell, proprietor of the comfortable hotel shown in the above picture, which indicates the prosperity this town enjoyed prior to the C. I. O.-inspired strike.



PICKETS A LA CARIBOO

As in the cities, one of the few occupations of the striking Cariboo miners is the patrolling of the idle mines by pickets. Above is shown a picket, in their crudely constructed tent, outside the property of Island Mountain Mines. These men stop all cars and pedestrians, and ascertain their business. No striking miner may leave Wells without a written pass from the union leaders.

Early Settlement Is Seen In Cariboo Strike Areas

From Our Own Correspondent

VANCOUVER. — Indications are that the strike of mine labor at the Cariboo Gold Quartz property in the Cariboo will soon be settled. While the company has refused to deal with the C.I.O. or any representatives of outside unions, it has indicated a willingness to bargain with a company union, and such an organization has now been formed.

R. R. Rose, managing director, told the men that the mine would be reopened if 100 men would sign an agreement to return to work. Within a few hours more than 70 signatures were obtained, and it was expected that a sufficient number would be available to justify resumption of operations on at least a 100-ton daily basis.

The strike has lasted more than three weeks. Island Mountain mines will probably remain shut down for a while pending word from head office of the Newmont Company in New York regardless of the situation at near-by Cariboo Gold Quartz.

Big Missouri Mines Sells Optioned Stock

MONTREAL.—Big Missouri Mines advise the Montreal Curb Market that 10,000 shares at 50 cents a share have been taken up under the terms of the option agreement. This leaves under option at 50 cents a share, 1,015,633 shares.

Smelters Dividend Enriches C. P. R.

From Our Own Correspondent

MONTREAL.—Canadian Pacific Railway Co.'s treasury will be enriched on July 15 next to the extent of $2.5 millions, representing a dividend of 50 cents and a bonus of $1 a share on its holdings in Consolidated Mining & Smelting Co. of Canada. The C. P. R. owns 1,682,500 shares of Smelters on which the current distribution will amount to $2,523,750.

Japs to Exploit Timber, Ore

Nippon Interests Acquire Large Holdings in B. C.

From Our Own Correspondent

VANCOUVER.—Japanese interests, already playing an important rôle in British Columbia's fishing and farm industries, stepped directly into the mining and timber picture when deals were announced for timber and iron deposits on Queen Charlotte Island and Vancouver Island.

Japanese have purchased 46 square miles of timber at the north end of Vancouver Island, and it is proposed to establish a pulp mill, to manufacture bleached sulphite pulp for the rapidly improving rayon market. A company has been formed to carry out this development, including J. H. Lawson and Co., Nels Spencer of Vancouver and several Japanese.

Nearly a billion feet of timber was bought on the Queen Charlotte Islands by the Nisso Rayon Pulp Company.

Delay Due to Exchange

The transaction had been under way for some time, but delay was caused through refusal of the Japanese Government to approve the export of funds while Japan's trade balance was in an adverse position. Drastic foreign exchange control regulations had made it impossible for foreign goods to be paid for with Japanese funds, which cut off imports unless sanctioned by the Government.

Japanese, it was learned by The Financial Post, have taken over an iron ore operation on Louise Island in the Queen Charlotte group and, bossed by Japanese engineers, white labor gangs are building a five-mile railroad from tidewater. It is proposed to ship the ore direct to Japan for treatment. There is said to be at least 10,000,000 tons of iron ore available on the property.

It is also reported that Japanese are interested in a copper property near Kamloops, although development has so far been restricted.

Perron Gold Mines Recovery $71,600 in May

From Our Own Correspondent

MONTREAL.—Perron Gold Mines has located vein No. 324 on the 325-ft. level and it is now being opened up and drifts 330 ft. east and west, according to a progress report issued by J. P. Norrie, general manager, for the period May 16 to May 31.

During the period under review, 5,501 tons of ore went to the mill which operated at 99.98% of possible running time on an average daily tonnage of 343.75 tons. Value of production for the period was $38,103 and for the month of May $71,600.

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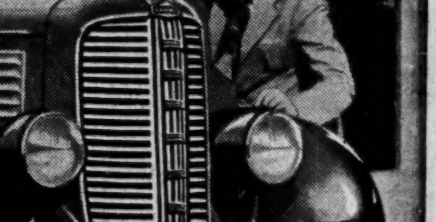

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The Nation's Business

Is "Hot Money" Menace to Canada?

Col. Amery Discusses Anglo-U. S. Treaty

Prefers Continuance Empire Preference

"Prohibited" Red Speaks in Canada

"Hot Money" and Investment

IF THE United States persists in its determination to exclude, by taxation and official abuse, foreign funds seeking investment in that country, a certain amount of the money may be diverted to Canada. It will be invested in the larger Canadian corporations if it pursues the trend observed across the line.

The New York Herald-Tribune recently noted that much of this foreign capital in the United States might ultimately be followed by its European owners, who are ready to move quickly out of their home countries, in an emergency, "to escape a fate worse than taxes."

Some Canadian economists are worried about "hot money" in Canada. They feel that we already have too large a supply of mobile capital here that will move out quickly, either with re-establishment of confidence in other countries or at the first sign of monetary disturbance here. Indeed, some recent operations of the Bank of Canada suggest an effort by Ottawa to prepare this country for any such emergent outflow.

Long-term capital is welcome in Canada particularly if it brings its owners with it, but we can have too much of the kind that jumps quickly.

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British Opposition to U. S. Trade Treaty

THERE is a "die-hard" school of British Conservatives who can see no good in the proposed Anglo-American trade pact if it is to be had at the cost of modifying in any way the system of Imperial preference. This group undoubtedly had much to do with the recent inability of the Empire conference to agree upon the concessions which the Dominions ought to make to the United States in the United Kingdom market to permit such a treaty to be quickly concluded. True, its influence happened, in this particular instance, to be exerted in the same direction as the influence of Prime Minister Lyons of Australia and Finance Minister Dunning of Canada, each of whom wants to know in specific detail what his own country will get in return from the United Kingdom market with that country.

An outstanding spokesman of the tariff and preference group of British Conservatives is Rt. Hon. L. S. Amery, who may no longer be a political power in Britain but remains a vigorous propagandist for the views so firmly and sincerely held by this group of economic Imperialists.

• • •

IN A recent letter to the Times, Col. Amery marshalled the arguments against any weakening of the tariff preference bond. The policy of Ottawa was more than trade policy, it was related to the common defense of the Empire's traditions, he said.

What reason is there to believe, demanded Col. Amery, that Empire tariffs have been responsible for economic nationalism elsewhere? Would reducing our tariffs induce similar reductions in Russia, which rules out individual trade, or in the dictator countries, that have nailed the flag of self-sufficiency to the mast?

And why reduce tariffs for the United States? The world's first need is for the United States to reduce its own exports and permit the world's trade to be better balanced, said the ex-Secretary of State for the Dominions.

• • •

COL. AMERY'S argument is coldly logical, as indeed can be any argument either for higher tariffs or lower tariffs. But does it not miss the point? No one has asked the British Empire to abandon the principle of Imperial preference. The Dominions have no intention of giving up so valuable an instrument for the promotion of recovery. But the United States has come, cap in hand, asking for closer British-American trade relations as an example to the world. It may be that Mr. Roosevelt and Mr. Hull offer more than their own people will permit them to deliver, at least for long. But should the British nations refuse any opportunity of making a gesture toward increased world trade, toward the general reduction of excessive tariff barriers?

Is it not true that the drive for economic "denationalism" must get under way quickly or else fail utterly? The price of failure may be world war.

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Communist Leader Enters Canada

EARL BROWDER, chief of the Communist party in the United States, is, we are informed, on the list of those who are not permitted

(Continued on page 2, col. 3)

Ottawa Seeks A Showdown On Relief Debt

Winnipeg Crisis One That Must Be Faced By Municipalities

NO MORE GIFTS

From Our Own Correspondent

OTTAWA.—The Federal Government will stand on the letter of the law—which forbids it to loan money to a municipality—and will not assist the City of Winnipeg in the crisis which it faces in the matter of securing additional funds to continue unemployment relief. Official Government sources are the authority for this statement.

Furthermore, it may be intimated, without violating any particular Federal confidence, that the situation which Winnipeg faces is looked upon to a large extent by the Dominion authorities as one which must inevitably be reached by municipalities generally—and that the sooner it is confronted and overcome by one city, the sooner a salutary example will be afforded to municipalities as a whole.

In other words, the Federal Government does not believe that, with economic recovery having made the strides that it has in Canada since 1934, the present scale of relief is either justified, or can be continued by the public purse. Consequently, a "show-down" in a few cities is regarded by the Dominion authorities as an unfortunate necessity, preliminary to a re-adjustment of the whole problem on a sounder and more justifiable basis.

A New Policy

The Winnipeg problem is of considerable interest for the disclosure which it has given of the adoption by the Federal Government of a new and important policy toward the western provinces. In brief, the Federal treasury, frankly entertaining little hope of recovering the tens of millions that it has loaned the Prairie Governments, has decided definitely against increasing the amount.

Loans Not Gifts

At first sight, Winnipeg interests believed that this suggestion offered the solution to the whole situation. It was altogether unlikely, in any event, that the provinces would ever repay the moneys which the Dominion had loaned them for relief purposes, it was pointed out. Consequently, this increased loan by the Dominon to Manitoba would simply be an indirect gift to the city.

The Federal authorities, however, heard of this interpretation of their offer and lost no time in disabusing the minds of both Winnipeg and Manitoba officials of any idea of a gift from the national treasury. It was admitted to be unlikely that Federal moneys advanced to the Prairie Governments in the past would ever be recovered. But the statement was definitely made that there were to be no more such transactions. Any money which the western provinces get for relief purposes from now on, it was intimated, they must reckon on repaying.

Sinking Fund Protection

Winnipeg is prevented by statute from borrowing from its sinking fund to pay relief expenditures as has been suggested by the province when asked for a solution to the present crisis.

This fund has been maintained on an actuarial basis since 1908 when the city got into financial difficulties. At that time the fund was rehabilitated and handed over to the sinking fund trustees and has been maintained intact from then. At the end of 1936 the city's financial statement showed that there were no arrears due to the sinking fund.

The provisions of the city's charter require that in connection with every debenture issue regular payments shall be made to the sinking fund trustee of an amount sufficient to retire the debt at maturity. The only exceptions to this rule are instances where conditions made it desirable to borrow by issuing short-term bonds. In this case the annual contribution to the sinking fund may be reduced to 2% of the debt, calculated to bring about retirement in about 25 years.

At the end of 1936 there were two items in the city's debt to which this provision applied. The first case was a $2 millions issue of 6% 10-year

(Continued on page 10)

AIRWAYS HEAD

S. J. Hungerford, president of the Canadian National Railways, who has been named chairman of the newly-formed Trans-Canada Airways Corporation.

Firms Ignore Airways Body

Private Interests Pass Up Trans-Canada Stock Interest

Composition of the board of directors of the Trans-Canada Airways Corporation, as revealed this week in Montreal, indicates that airways companies and other private interests so far have acquired little if any interest in the operation of the Government-C.N.R. controlled service.

Reports of the appointment as Trans-Canada board chairman of S. J. Hungerford, president of the Canadian National Railways, have been confirmed by Mr. Hungerford. The remainder of the Airways Corporation directorate is as follows, The Financial Post is informed:

J. Y. Murdoch, Toronto barrister, president of Noranda Mines, and a director of the C.N.R.

H. J. Symington, Montreal barrister, also a C.N.R. director, president of Price Bros. & Co., and vice-president of Royal Securities Corp.

Hon. Wilfrid Gagnon, member of the short-lived Godbout cabinet in Quebec.

Commander C. P. Edwards, chief of air services, Department of Transport, Ottawa.

J. A. Wilson, controller of civil aviation, Department of Transport.

John Herring, superintendent of mail contracts, Post Office Department.

Private Groups Aloof

When the Trans-Canada Airways Corporation was established by the Government, stock in the corporation was turned over to the C.N.R., which was given authority to dispose of stock not exceeding 49% to private interests. This was to ensure effective control of the Trans-Canada enterprise at all times by the Government and the railway system.

Vesting of Trans-Canada control in the C.N.R. was a blunt rebuff for private groups who exerted intensive pressure to get the franchise for all or parts of the Trans-Canada service. These groups are now said to be dubious of the ability of the Government and C.N.R. to operate Trans-Canada successfully, and in any event to be little interested in a minority share in the enterprise under its present set-up.

Uncertain Outlook

Among factors in the aloofness is the uncertainty as to whether Trans-Canada will confine its operations to the main line across the country, or will also undertake to provide service on the potentially valuable inter-city and international routes. Also undetermined is how, and by whom the actual Trans-Canada operation is to be run.

This latter question is to be debated at a meeting of directors late this week. Particularly to be discussed is the exact status of Flight-Lieut. D. R. MacLaren, recently appointed to an undefined executive position in Trans-Canada Airways. Tentatively designated general manager,

Another factor in private lack of interest is the power given the C.N.R. to buy back any stock held by other stockholders.

Highlights

Acid Treatment

Successful acidizing of oil wells in Turney Valley has provided an interesting test of this new method of increasing an oil well's production. Page 19

Political Motives of C.I.O.

John L. Lewis's efforts to gain political power in the United States contribute to distrust of Canadian industrialists. Page 12

C.I.O. in Cariboo

This 75-year-old British Columbia mining camp is the scene of the first test of strength between the C. I. O. and the Canadian mining industry. Page 20

Newsprint Profits

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New Social Credit Move

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George A. Dobbie

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Seven Centuries of Gold

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Power Corp. Betters Status In Past Year

Security Values Up, Debt Lowered and Reserves Higher

INCOME MOVES UP

From Our Own Correspondent

MONTREAL.—Power Corp. of Canada's fiscal year ends this month. The financial statement will not be made public until early in September, but preliminary indications are that while earnings on the common stock will show a moderate gain, the biggest improvement will be recorded in the balance sheet position.

At the end of June, 1936, Power Corp., which holds a controlling or minority interest in a number of the larger Canadian utilities, reported a book investment of nearly $10 millions in subsidiary companies; about $10.4 millions in affiliated companies and around $7 millions in other investments, making a total of approximately $27 millions.

On the same date the market value of these investments was nearly $27.8 millions. This contrasted with $23.7 millions the year previously and with the low of $21.4 millions on June 30, 1932.

An interim report issued by the company showed that at the end of the first half of the current fiscal year, Dec. 30, 1936, the market value of securities held had appreciated well over $6 millions since the close of the fiscal year on June 30. Part of this improvement was due to a new departure, namely, an investment in mining properties. The latter had a book value at the end of last December of $400,000 and a market value of over $2.6 millions.

Value of Investments

There was a further appreciation in the value of investments in the early part of this year, but since then the sharp slump in security values has tended to restrict the gains previously recorded. While the position of the company, as far as market value of securities held, will not be known until after the end of this month, indications are that there will be a moderate gain over the figures reported on June 30, 1936. A good deal of the gain reported for the first half of the year has been wiped out, but the equity back of the company's outstanding debentures and stocks will be higher than a year ago.

An important feature of the 1936-

(Continued on page 2, col. 5)

300 Million Bus. Best Crop Guess

From Our Own Correspondent

WINNIPEG. — Few observers are now willing to concede a total Canadian wheat crop in excess of 300 million bushels even given favorable weather conditions from now on. Such a yield would be well below average, though up well from last year. Any further improvement in prospects in the dry areas of southern Saskatchewan and in Alberta is more than likely to be offset by the present threat of rust in Manitoba.

Present world prospects only indicate a total wheat crop of 300 million bushels more than last year. This increase is almost exactly balanced by withdrawals from abnormally low world reserves in the last 12 months.

Hitch Delays Abitibi Plans

Reorganization Held Up by Timber Contract Question

Delay in signature by the Ontario Government of the new timber limits agreement for Abitibi Power & Paper Co. has held up further progress in connection with the Abitibi reorganization.

The timber limits agreement, The Financial Post is informed, is in the Government's hands. Once it is completed, it is anticipated that the plan of reorganization by judicial sale, drafted under the aegis of the bondholders' committee, will be published.

Question of Precedence

A question that may arise is whether the Government will require review of the bondholders' committee's reorganization plan before completing the timber limits agreement. If question is raised on this point there might be further delay as to whether the bondholders' plan would precede the agreement, or whether the agreement would precede the plan.

The plan of reorganization proposed last week by the liquidator of the company, R. S. McPherson, as a sort of general alternative to the plan that will be brought forward by the bondholders' committee, appears likely to take precedence over other reorganization proposals presented to the liquidator a few weeks ago.

New Rate May Rebuild Consumers' Gas Fund

Higher Price For Gas Reflects Increased Operating Cost

The Consumers' Gas Co., Toronto, announces an increase of 10 cents per thousand cubic feet in the price of gas from June 29. For the first 10,000 cu. ft. of monthly consumption the new rate will be 90 cents net per thousand, an increase of 12½%.

The increase and the company's announcement have significance for investors in the company's shares which have paid an annual dividend rate of 10%, or $10 a share, for more than 60 years.

The company attributes the need for the increase to these factors:

1. Increased operating expenses, largely higher taxation.
2. Higher costs of coal and other materials, including customs duties.
3. Higher wage payments, partly due to restoration of the 5% reduction imposed in 1932.

The company explains that the Toronto price of gas was reduced by five cents per thousand cubic feet in April, 1931, and that the reduction was made possible by accumulation of a special surplus over four years to a total of $284,602 in 1930. The loss of revenue in the first year of the rate reduction was more than $300,000 and in each year since 1932 there has been a deficiency of revenue from gas sales of $275,000, it is stated.

Reserves Down

Consumers' Gas Co. operates under Ontario laws which give the company authority to maintain rates sufficient to keep up reserve funds and to continue the 10% dividend on the shares. The dividend is regarded as a prior charge on earnings to the company's plant and buildings renewal fund. Since 1932 there have been reductions in the company's combined reserve funds of approximately $500,000 each year. From $7,994,000 at Sept. 30, 1932, the combined reserves had declined to $5,962,000 in 1936.

Under the reduced gas rates effective from 1932 to 1936 the company's gas sales declined from $5.8 millions to $5¼ millions. Gas meters installed declined from 172,528 in 1932 to 166,854 in 1936.

The law governing the company's operations provides that a special surplus must be set up from any earnings in excess of the amount required for dividends and the reserve and renewal fund. The reductions in reserve in recent years indicate that it may be some time before the company will re-establish the former level of reserves.

There are two ways of calculating the gas company's earnings per share; that is either before or after the annual expenditures for repairs and renewals of equipment. Last year's earnings amounted to $10.72 a share before allowance for repairs and renewals and $6.70 a share after providing for those charges.

I. P. & P. Secures Majority Proxies

From Our Own Correspondent

MONTREAL. — Sufficient proxies have been received to assure the passing of the International Paper & Power Co.'s reorganization plan, which will be voted upon this week.

Indications are that the plan will not be passed unanimously by all classes of shareholders, as opposition has been expressed by minority interests, more particularly the 7% preferred shareholders.

Textile Probe May Reopen

Renfrew Firm's Labor Policy Stirs Ottawa Interest

Ottawa.—Closing of its Renfrew and Carleton Place plants in the face of labor difficulties by the Renfrew Woollen Mills, Ltd., may result in a federal inquiry. The government, it is reported, sees the incident as justification for reopening hearings of the Turgeon Royal Commission on textiles.

This inquiry has concluded its sittings but has not yet drafted its report. Dominion ministers accordingly see no reason why it should not delve into the Ottawa valley labor troubles should they not be settled before. Commissioner Turgeon returns from conducting his wheat inquiry in Britain.

If the Renfrew Company's dispute should be referred to Mr. Justice Turgeon, he would be expected to report on relation of wage rates of the company to tariff protection which it has been enjoying. With a faction of the ministry already clamoring for lower tariffs for the textile industry, any backing which Hon. Mr. Turgeon could supply for such a policy would be a significant factor in the tariff situation which the government faces.

In Spotlight Before

The Renfrew Woollen Mills was previously in the political limelight during the 1935 election campaign, when they were charged by Liberal Leader W. L. MacKenzie King with attempting to intimidate their workers by threatening to close their plants if a Liberal Government should be elected. Mr. King roundly declared that if he became Prime Minister and any such development

(Continued on page 2, col. 1)

Elevator Plans Said to Include Neely Interest

New Company Negotiating on Hamilton Site For Project

CONTRACT REPORTED

Wide public interest has been aroused in Hamilton in a project to construct a 2 million-bushel grain elevator and malting plant on property owned by the Hamilton Harbor Commission. There is a public investment interest in the project from the point of view of shareholders of Canada Malting Co. and Toronto Elevators Ltd. because of possible competition.

Thomas Alfred Neely, Toronto, formerly president of Willison-Neely Corp., is reported to be interested in the Hamilton venture. T. A. Neely was the founder and was formerly president of Canadian Terminal System Ltd., holding company for heterogeneous interests, in which firm and subsidiaries millions of dollars in bonds, debentures and shares have been sold to the investing public.

Mr. Neely was a director of Canadian Terminal System in 1929 and 1930 when it negotiated with the city of Kingston for erection of a grain elevator at Cataraqui Bay. Agreements were made with the city to construct a 2½ million-bushel elevator by October, 1932.

Kingston Deal

The city of Kingston was to transfer property valued at $50,000 to the company and was to build a railway siding and provide a fixed assessment. The company deposited $60,000 of bonds of National Utilities Corp. as security for completion of the elevator, provided the city transferred the property.

The city claimed that in 1931 the elevator company had found itself financially unable to continue construction and that a new company had been formed to carry on but had failed in the effort for lack of finances. The company contended that the city first defaulted in failing to transfer the lands in question, and the Supreme Court of Ontario upheld the company. The Ontario Appeal Court reversed the judgment, but the Supreme Court of Canada gave judgment in favor of the company awarding it the ownership of the $60,000 of bonds.

Part of the Hamilton proposal is that the elevator company be given an option to purchase for $22,000 property under the city's control. The project also involves acquisition by the elevator firm of docks from the Hamilton Harbor Commission, which may necessitate expenditures by the Commission on extensions of other harbor facilities.

Captain R. Scott Misener is president of Hamilton Elevators Ltd., the company that has been negotiating with the city of Hamilton. Captain Misener is also president and general manager of Colonial Steamships Ltd., organized in 1933 to acquire the former Matthews Steamship Co.

Contract Reported

The Daily Commercial News, Toronto, recently carried a report of the venture of Hamilton Elevators Ltd., stating that a contract for immediate construction had been awarded to MacDonald Engineering Co. Cost of the elevator was estimated at $1.5 million. Plans for the elevator, it was stated, call for grain-malting and feed-processing equipment. The storage section is planned for a maximum height of 200 feet.

Two former premiers of the province of Ontario were presidents of major companies founded by T. A. Neely. Hon. E. C. Drury was president of Canadian Terminal System, and T. A. Neely was a director. Sir William Hearst was president of the Neely-founded Canadian Rail & Harbor Terminals which formerly owned the large warehouse on Queen's Quay, Toronto.

Beauharnois Suit Upheld on Appeal

Ontario Court of Appeal has upheld the contract of Beauharnois Light Heat & Power Co. to supply electric power to the Hydro-Electric Power Commission of Ontario.

Ontario Government authorities will carry an appeal to higher courts. The Government has also proclaimed two laws enacted this year as a result of the judgment in favor of Beauharnois. They provide:

1. Property of the Ontario Hydro is exempt from judgment and action to collect under judgment cannot be taken.
2. The Hydro need not pay money into court for security.

SEC Voids Registration Of Rickard Ramore Mine

In a lengthy report on sales methods used by Rickard Ramore Gold Mines, the Securities and Exchange Commission at Washington, D. C. orders that the effectiveness of this company's registration statement be suspended. The report finds that the registration statement includes untrue statements, and omits material facts.

Among the claims made by the commission is that the public was not advised of the true stock position of the company as it affected the market. The report adds:

"The investor who is solicited to purchase a security at the market price is entitled to knowledge of any artificial restraints upon the flow of the security into the market and of any past or possible future artificial demand for the security."

The report criticizes the use of a report made by H. Holland Hurst, who served the triple capacity of director, mining engineer and mine superintendent. He had also been given 50,000 shares in the company for his part in the original transaction.

In his report, which was used in the prospectus, Mr. Hurst estimated an "indicated ore body" of 2,500,000 tons averaging $15.75 per ton. This average was obtained from only 60 assays, a fact which did not, in the opinion of the commission, justify any such average grade. At the hearing, it was admitted that no ore body had been demonstrated in commercial quantities by the work done on the properties.

Central Bank Adds To Foreign Assets Safeguards Dollar

Bank of Canada Buys $5 Millions in Extra Liquid Securities Abroad

POLICY IS NEW

A new phase in expansion of liquid assets abroad by the Bank of Canada is shown by appearance in the statement for June 16. of an item of $4,995,888 of "other securities." It refers to securities other than those of the Dominion or provinces, and The Financial Post's information, which is necessarily unofficial, indicates that the item represents largely holdings of liquid short-term securities of the United States or the United Kingdom.

The central bank now has approximately $27.5 millions of liquid assets abroad in cash and securities. The bank also has maintained its gold reserve, with little change, above $180 millions.

The precise purpose of the expansion of outside assets has not been revealed, but it appears that the central bank has made preparation to take care of any such contingency as a brief or sudden withdrawal of funds from Canada, without using the gold reserves.

Related to Banks?

It is possible that the central bank's expansion of its assets abroad is related to changes in the past few years in connection with the operations outside Canada by the chartered banks.

Formerly the chartered banks had more assets abroad than they had liabilities. The latest return of the chartered banks, at April 30, 1937, shows that liabilities abroad were $26.6 millions more than the assets outside Canada.

Thus the central bank's $27.5 millions of liquid reserves outside Canada are slightly more than sufficient to counterbalance the position of the chartered banks.

In recent years the chartered banks have reversed their former net balances abroad, as shown below:

Net Assets of Chartered Banks Abroad
(In Millions of Dollars)

Apr. 30	$	Apr. 30	$
1937	—26.6	1934	+ 62.2
1936	—22.2	1933	+ 84.1
1935	+28.1	1932	+106.4

Examination of the Bank of Canada Act shows that the $5 millions of "other securities" recently acquired probably consist of short-term securities of the United States or the United Kingdom. The bank is also empowered to buy securities of any British Dominion or of France, but it is believed unlikely that such securities would be acquired in any quantity.

In addition to securities, the Bank of Canada has increased its foreign reserves in the form of cash to approximately $22.5 millions at June 16. The reserve in cash balances in sterling and U. S. funds was therefore approximately $13.4 millions above the amount of $9.1 millions at the close of 1936. At Dec. 31, 1936, the bank showed only $4 millions in reserves of sterling and U. S. funds.

Previous changes in the central bank's cash balances abroad have consisted largely of banking transactions in connection with Dominion Government debt financing. The recent increase in the cash abroad, however, appears to have become stabilized at a comparatively high level. It may therefore indicate a policy of retention of such foreign funds as an offset to the possibility of withdrawal of funds from Canada.

It is regarded as conservative banking practice to keep sufficient assets abroad to offset foreign liabilities. It will be recalled that one of the reasons for suspension of the gold standard and depreciation of the pound sterling in 1931 was sudden withdrawal of funds from London, which could not be offset rapidly by realization of foreign assets of the British banking system.

Outside Exchange Fund

The Financial Post is reliably informed that the increase in the Bank of Canada's assets abroad is not connected with the Dominion Government's exchange fund of some $63 millions created in July, 1935, by the increase to $35 in the price of gold.

Although the central bank's acquisition of foreign reserves is not related to the exchange fund, the foreign cash and securities put the bank in a position to support the Canadian dollar against an undesired temporary fall.

It will be recalled that The Financial Post was alone among Canadian newspapers in pointing out two years ago that the federal authorities were in a position to weaken the Canadian dollar if need be, but could not strengthen it quickly.

Gypsum Board Returns Attack

Letter to Shareholders Seeks Proxies in War With Former Directors

"It was at the request not of the bank but the majority of your then board of directors that Col. Cockshutt assumed the chairmanship of the board in 1933."

This is one of the answers of the present management of Gypsum, Lime & Alabastine, Canada, Ltd., to statements made by R. S. McCurdy, a former director, in a letter sent to shareholders on June 5. This letter was reviewed in a previous issue of The Financial Post.

The latest statement from the company is sent to shareholders in an effort to secure proxies in support of the board headed by Col. Henry Cockshutt at the special shareholders' meeting on July 15. It is signed by all seven directors.

This letter specifically attempts to answer points brought out in the previous letter of McCurdy who, according to Col. Cockshutt, is a United States citizen residing in Grand Rapids, Mich., and the registered holder of 25 shares of Gypsum stock.

Haire Operations

R. E. Haire, former president of the company, according to R. S. McCurdy's letter, had bought Gypsum shares in 1929 and 1930 to support the market and had been compelled to borrow from the bank of which Col. Cockshutt is a director. This bank loan, adds McCurdy, was in such a condition in 1933 that Haire's hands were tied. The present management, however, say that they have no knowledge of Haire's stock market operations and give their belief that "the function of a managing director is to manage the business and not speculate in the company's stock."

Until 1928, according to the letter from the present board of directors, shareholders were sole owners of the company and its plants. Then, in April, 1928, continues the letter, Mr. Haire decided on a policy of "aggressive expansion," and as a first step sold $2.5 millions of bonds. A further $1.5 million were sold in Sept., 1930. Floating the two bond issues cost the company $446,475 in legal fees and discounts. For this, writes Col. Cockshutt, "the shareholders got absolutely nothing," but instead had a $4 millions mortgage ahead of themselves not only on the new properties but also on those they had formerly owned outright.

Purchases of plants in 1928 to 1932 were made at greatly inflated values, "a large part of the purchase price representing capitalized goodwill based on boom-time production facilities." The $4 millions write-off in 1935 is attributed by the present board largely to this expansion.

English Deal

Mr. McCurdy asserts that Mr. Haire went aggressively after new business and arranged for English interests at a cost of $50,000 on which the company made a profit of over $100,000 in three years.

The statement of the board says: "It is true that Mr. Haire went to England to arrange an agreement for the formation of an English company. This he was unable to accomplish. The agreement was sub-

(Continued on page 2, col. 6)

Howard Smith Sales Up 15%

Earnings Have Increased in About Same Proportion

From Our Own Correspondent

MONTREAL. — Howard Smith Paper Mills volume of business for the first half of this year amounts to about 15% more than for the same period last year. Earnings have increased in about the same proportion.

All plants are now operating at close to their effective capacity and so far indications are that business will hold up during the balance of the year.

Last year Howard Smith reported a consolidated operating income of over $2.2 millions, an increase of $300,000 over 1935. On the basis of the preliminary returns and provided there is no material falling off in business between now and the close of the year, income this year should exceed $2.5 millions.

So far as can be learned the 50% drawback allowed to Canadian publishers on book paper under the last Dominion budget has not had a serious effect on earning power. The fine paper manufacturers, including Howard Smith, have diversified their output so that operations of one department have not an undue influence on the results as a whole

Last fall the company formed Howard Smith Chemicals to manufacture flavoring extracts as a by-product of the Cornwall pulp mill. Early this year a $400,000 plant expansion programme was initiated at Cornwall. Plans provide for the installation of new digesters, acid recovery tanks and other equipment, which will step up production of the sulphite pulp mill from 77 to 110 tons a day, and the soda pulp mill from 70 to 100 tons.

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BAY STREET SECTION

EATON'S-COLLEGE STREET

Textile Probe May Reopen on Labor Case

(Continued from page 1)

resulted, the state would take over the mills and operate them.

Present government interest was aroused by a statement issued by the resident mill manager, J. J. Southern, at Renfrew. It came after he had communicated the proposals of the Renfrew strikers (110 out of 200 in Renfrew; none in Carleton Place) to Ambrose J. O'Brien, managing director of the M. J. O'Brien industries, who happened to be in New York. The statement read:

"I have received instructions to close the Renfrew and Carleton Place Mills immediately. Everybody is out, those who went on strike and those who did not. That's definite and any talk of increases in salary is off for the moment. We will be closed indefinitely."

Meanwhile the Federal Government is leaving the task of mediation to the provincial authorities. The situation is looked upon as the first test of the new provincial Labor and Industry Board, with E. J. Young as Chairman.

BRAZILIAN TRACTION

May	1937	1936	Increase
	$	$	$
Gross earn. .	3,292,019	2,633,807	658,212
Oper. exp. . .	1,446,438	1,181,130	265,308
Net earn. . . .	1,845,581	1,452,677	392,904
Five Months			
Gross earn. .	15,055,029	12,555,761	2,499,268
Net earn. . .	8,170,662	6,802,537	1,368,125

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The Nation's Business

(Continued from page 1)

to enter Canada. Yet Mr. Browder has been in Canada recently—and not as just a summer tourist. He appeared openly as one of the chief speakers at a national rally of Canadian Reds.

We are far from accepting as gospel all we read in the "Daily Clarion," Communist daily paper published in Toronto. We see no reason to doubt, however, the accuracy of its report in a recent issue that the central committee of the Communist party of Canada gave enthusiastic welcome to Earl Browder, general secretary of the Communist party of the United States. Most significant part of the report was the opening phrase, which remarked that Browder was "no stranger to the gatherings of his sister party in Canada."

• • •

WHAT is the use of listing anyone as a "prohibited arrival" if an extreme revolutionary of Browder's prominence is able to pass immigration officers at the border apparently without the slightest difficulty? What is the use of the blanket regulation barring such persons from entry if troublemakers of Browder's status are able to cross the border without identifying themselves or being required to show credentials?

It was not so long ago that Canadians learned to their astonishment that there was no way of stopping at the border the invasion of Canada by Red allies of John L. Lewis, who came here to stir up Canadian workers, and promote the use of the C. I. O.'s favorite weapons of disorder and lawlessness. The Immigration Act, it was stated, specifically permitted the entry of accredited representatives of American labor union bodies, and the Government had no intention of changing it. Now it seems that even those who are classed as undesirables may come in if they like.

• • •

THE immigration department has a difficult task. It is reasonable to assume that Browder did not give his real name at the border or else was passed through as a temporary visitor who was not asked for his name. With thousands of Americans entering and leaving Canada at this time of year, it is no doubt impossible for immigration officers to spot all prohibited persons and turn them back. In any event, enquiries have failed to reveal any record of the entry of Browder for his recent visit.

If Browder's presence in the country were discovered after he had slipped across the border, the immigration department would undoubtedly take steps to deport him. But by the time the discovery was made and action taken, he would probably have returned to his own country, leaving his comrades in Canada imbued with revolutionary inspiration.

• • •

THE Immigration Act clause, which has been repeatedly held to preclude the entry of Communists and similar devotees of unpeaceful change, appears to be most comprehensive and all-embracing. But perhaps the very broadness and generality of the regulation defeats its aim.

At present the regulation is a clause listing the various classes of persons denied entry into Canada. It reads:

> "Persons who believe in or advocate the overthrow by force or violence of the government of Canada, or of constituted law and authority; or who are opposed to organized government; or who advocate the assassination of public officials, or advocate or teach the unlawful destruction of property;
>
> "Members of or affiliated with any organization entertaining or teaching disbelief in or opposition to organized government; or advocating or teaching the duty, necessity or propriety of unlawful assaulting or killing of any officer or officers, either of specific individuals or of officers generally, of the government of Canada or of any other organized government, because of his or her official character; or advocating or teaching unlawful destruction of property."

Capital Wire Co. Changes Hands

Montreal Investment Dealers Will Make Stock Offering

From Our Own Correspondent

MONTREAL.—R. O. Sweezey & Co. and Hanson Bros., of Montreal, have acquired control of the Capital Wire Cloth and Manufacturing Co., of Ottawa. The latter has been in operation since 1912, manufacturing pulp and paper makers' wires including both Fourdrinier wires and wire cloth.

It is the intention of the new interests to put additional money into the business for machinery, etc. To that end the two investment houses will put a stock issue on the market before the end of the month.

Present plans are to make a public offering of 10,000 shares of 6% preferred, par value $25 each, and a like number of common shares. The stock will be offered in units of one share of preferred and one share of common, at a price of $40 for the unit.

The preferred, which is redeemable at $26.50 a share, will have the right to convert into common stock on a share for share basis.

Power Corp. Status Improves in Year

(Continued from page 1)

37 report will be the profit on sale of securities. For the six months ended last December a profit of over $700,000 was realized. Since then the company is understood to have effected further realizations. Revenue from this source will not be taken into income account or used for the writing down of book values on investments, but will be credited to the special reserve to cover profit on securities sold and discount on debentures redeemed. This reserve amounted to $510,918 at the end of June, 1936.

Retire More Debentures

During the first half of the current year Power Corp. acquired for cancellation $122,000 of its 4½% and 5% debentures, reducing the amount outstanding to around $10.3 millions. Further redemptions have taken place and the forthcoming report is expected to show the outstanding debenture debt at close to $10 millions.

The reduction in debenture debt, improvement in the market value of securities held and the profit on sale of investments, is expected to boost the equity behind the common stock, which a year ago amounted to $15.01 a share. The equity at the end of 1936 was over $32 a share on the 446,227 shares outstanding, but this total will be somewhat lower as at June 30, 1937, in view of the decline in market values since the beginning of the year.

Show Better Earnings

As far as can be learned at this time, earnings for the 12 months ended June 30, 1937, will be higher than for the previous year.

No figures were released by the company on earnings for the half year ended Dec. 31, 1936, but for the year ended June 30 last, gross income was just short of $1.6 million. After paying interest and taxes there remained a net profit of $823,161.

In view of the improved showing in the 1936 year and the gains recorded in the first half of the 1937 year, the directors declared a dividend of 25 cents a share on the common. This distribution, which was made on Dec. 21, was the first since 1932. It is not likely that further payments will be made until the complete results for 1936-37 are known.

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Grain	15	Mines & Oils	14

Fight for Gypsum Control Continues

(Continued from page 1)

sequently arranged by Col. Cockshutt, Mr. Justice W. T. Henderson and Mr. F. Andrews with Mr. T. Herd, the managing director of Distillers Corp., Scotland. The actual investment was approximately $90,000.

Mr. McCurdy's comparison between the increase of residential building permits in Canada and growth of the company's sales is misleading, Col. Cockshutt declares. The products of Gypsum, Lime & Alabastine, he points out, are not purchased until several months after a permit has been taken out. From Nov. 30 to April 30 is the least productive part of the company's year and the increase in the remainder of the year will be much greater than that shown for the first quarter.

"Sales of the Portland cement industry, also closely allied to the building industry, have shown an increase of 19%," writes the board of directors, who had previously reported a sales increase of about 20% for Gypsum, and adds: "The percentage sales increase of competitive companies is approximately the same as is shown by your own company."

Dealing with the matter of executive salaries, the board states:

"The salary of Col. Cockshutt, ... is $7,200 not $8,400, ... The total salary received by Col. Cockshutt for the eight years 1929 to 1936 amounted to $11,450. This figure seems insignificant when contrasted with the salary drawn by Mr. Haire during a similar period. In 1929 and 1930 his salary was $25,000 a year. In 1931, when the shareholders received a dividend of only 50 cents a share, he drew a salary of $23,958 and in 1932, when no dividend was paid, it was $21,778. These figures, with lesser amounts during 1933, 1934, 1935 and 1936, give Mr. Haire a total of $121,745 during the same years Col. Cockshutt was drawing $11,450."

Classified Advertisement

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The Store for Men

Solid Comfort!

There's a lot of comfort for a lot of golfers in this new "M. W. Locke" shoe. Made over the famous No. 2 last in a good-looking Blucher pattern, it has all the famous Locke comfort plus the new Locke styling. Choice of rubber or steel-spiked leather soles. Sizes 6 to 12. *Street Floor.*

M. W. LOCKE
Golf Shoes 11.50

"Select Comfortable Shoes In Comfort!"

Simpson's

Weekly Record of Financing in Canada

SALES BY MUNICIPALITIES, PROVINCIAL AND DOMINION GOVERNMENTS

Municipal—	Date Sold	Sold to	Rate	Due	Amount	Price	Yield
R. C. Sch. Comm. of Shawinigan Falls	June	L. G. Beaubien & Co.	4%	1938-67	$100,000	.....	.....
Woodstock	June	Harris, Ramsay & Co.	3½%	15-ins.	75,000	102.89	3.10%
Provincial—	**Date Sold**	**Sold to**	**Rate**	**Due**	**Amount**	**Price**	**Yield**
Quebec	June	Royal Bank and Syndicate	3¼%	1949	$11,000,000	98.75	3.375%

OFFERINGS OF CORPORATIONS AND FOREIGN SECURITIES

Bond Issues—	Date Issued	Offered by	Rate	Due	Amount	Price	Yield
Mersey Paper Co.	June	Royal Securities	5%	1957	$4,000,000	99	.....

Company Reports

Niagara Wire Weaving

Niagara Wire Weaving Co., Niagara Falls, reports net profits for the year ended March 31, 1937, equivalent to $2.53 a share on the present capital of 110,000 common shares. On the present capital the preceding year's earnings were $1.91 a share. The improvement in earnings is due largely to high activity in the pulp and paper industry which the company supplies with wire mesh cloth used in processing paper.

The balance sheet shows the elimination of all 18,000 preferred shares. Holders of over 97% of the preferred converted into common shares, says Edward J. Buell, president.

Income and Surplus Account
Years Ended Mar. 31

	1937	1936
	$	$
Net prof. from oper.*†	278,280	210,375
Less: Pref. divids.	12,048	‡47,739
Com. divds.	172,671	110,000
Surplus for year	93,561	52,636
Add: Prev. surplus	177,819	125,183
Depreciation adjt.	30,984	......
Incurance cash val.	50,036	......
Surplus forward	352,400	177,819

*After all expenses including depreciation, income taxes, etc.

†Includes income from investments, and profit from securities sold.

‡After deducting $6,261 paid on shares held by trustees and not under subscription by employees.

Working Capital

	1937	1936
	$	$
Current assets	902,906	812,316
Current liabilities	216,254	168,175
Working capital	686,652	644,141

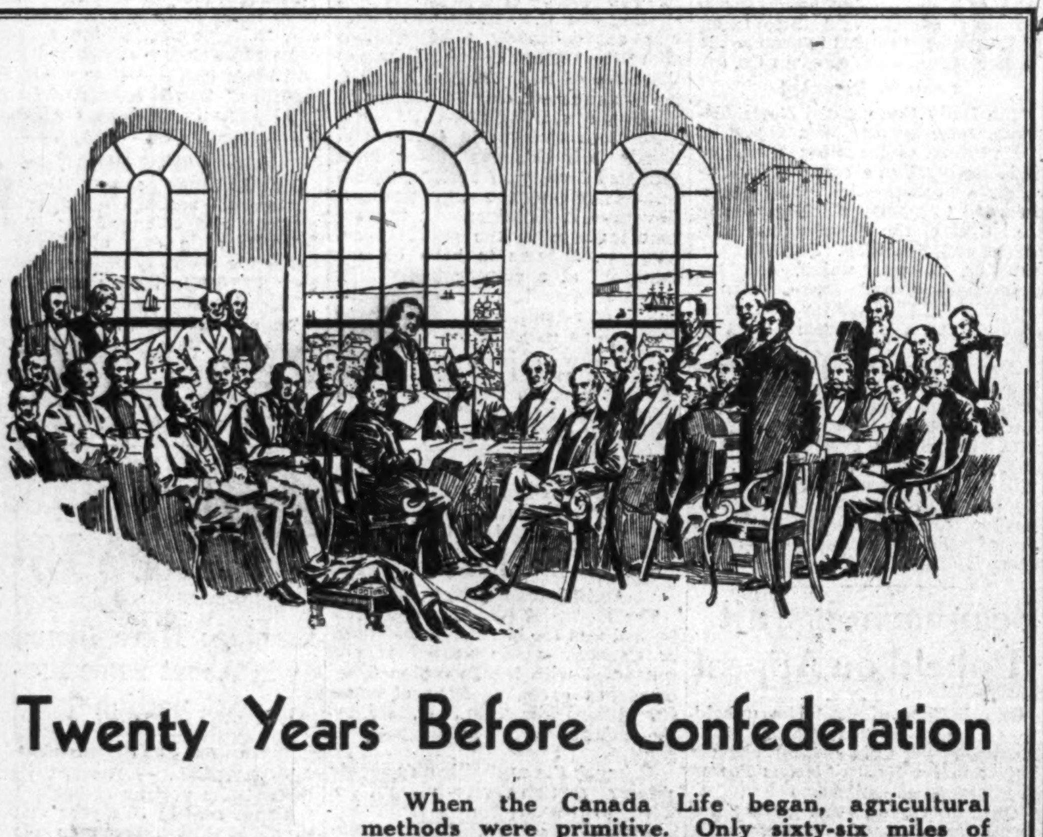
Northern Canadian Mtge.

Northern Canadian Mortgage Co., Winnipeg, reports a deficit for the year ended March 31, 1937, equivalent to five cents a share on its preferred stock compared with a deficit of 19 cents a share in the preceding year. No dividends have been paid on the $25 par preferred since Jan. 15, 1932, and arrears amounted to $7.87½ a share at April 15, 1937.

The company's earnings must necessarily be small until there is a substantial increase in rents and property values, according to G. W. Northwood, president. It now acts as rental agents for a number of properties in addition to those which it holds.

Income and Surplus Account
Years Ended March 31

	1937	1936
Receipts:	$	$
Mtge. & agree. int.	17,616	18,516
Discount earned	....	176
Rents received	58,635	52,136
Divid. on investm'ts	984	777
Other income	4,933	3,610
Total income	82,168	75,215
Less expenses:		
Management	9,366	9,513
Legal fees	380	510
Taxes on real est.	16,942	15,628
Mortgage interest	34,128	31,786
Bank interest	1,037	997
Depreciation	20,955	19,365
Net loss	640	2,584
Less: Prev. surplus	14,743	16,299
Inc. tax refund	......	1,731
Prof. on sale of stks.	2,746	......
Add: Interest w/o	......	703
Bad debts w/o	1,444	......
Surp. before corp. tax	15,405	14,743



Twenty Years Before Confederation

When the Canada Life began, agricultural methods were primitive. Only sixty-six miles of railway existed in the whole of this country. Postage stamps had not been introduced. Telephones and typewriters were unheard of. The telegraph had just been invented.

The Canada Life pioneered in Canada alone for nearly twenty years, sending out "lecturers" to inform the people about life insurance.

Since 1847 The Canada Life has paid policyholders, annuitants and beneficiaries, or accumulated on their behalf, more than six hundred million dollars, a sum exceeding the premiums received by fifty million dollars.

"Our Ninetieth Year"

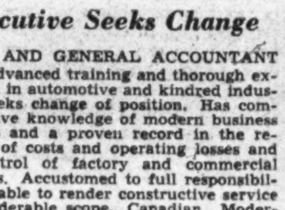
The Canada Life
Assurance Company
Established - 1847

Canada's Oldest Life Assurance Company

Illustration after the celebrated painting by Robert Harris, R.C.A.—Courtesy The Robert Simpson Company, Limited

Executive Seeks Change

COST AND GENERAL ACCOUNTANT of advanced training and thorough experience in automotive and kindred industries, seeks change of position. Has comprehensive knowledge of modern business methods and a proven record in the reduction of costs and operating losses and the control of factory and commercial expenses. Accustomed to full responsibility and able to render constructive service of considerable scope. Canadian. Moderate salary. Please write Box 82, The Financial Post, Toronto.



HUDSON BAY
MINING AND SMELTING

A new analysis of this Company, which is second in zinc, third in copper among Canadian producers of base metals, is available on request.

Ask for analysis P2.

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TORONTO OTTAWA QUEBEC
SHERBROOKE

To All Shareholders

Gypsum, Lime and Alabastine, Canada, Limited

In what seems to be a desperate effort to remain in control of your company, Col. Cockshutt is sending another letter to the shareholders in which he blames Mr. Haire for almost everything except the world-wide depression.

Col. Cockshutt's latest letter again presents a maze of figures and statistics. This committee found it necessary before to clearly analyse previous statements and figures sent out by Col. Cockshutt and the present management, and it appears that they are at it again. The financial statement recently sent out by Col. Cockshutt and again included in the latest letter shows that the company's cash increased and that overhead expenses were lower. The shareholders should know that cash on hand was increased by $200,000.00 received, not from earnings, but from the sale of assets which is reducing the scope of activities of your company. Overhead expenses were lower, as well as earnings. The company has been getting only one-fourth (¼) of the business that it should get in keeping with the pace of improvement in the residential building field which really is this company's principal field of activity. The company under the present management hasn't been able to earn enough money in the past few years to even make the annual payments to the Sinking Fund, approximately $100,000.00 per year, which removes to the far distance any prospect of dividends ever being paid under the present management.

Col. Cockshutt, in writing to the shareholders, seems to forget that what the shareholders are interested in are dividends and profits on their investment. In this regard shareholders are entitled to know what to expect from the present management as gauged by their past record especially since they are seeking shareholders' support to remain in control of a line of business in which they have had no previous operating experience. Col. Cockshutt's latest message to the shareholders again fails and neglects to explain why common-stock shareholders of the Cockshutt Plow Company (managed by Col. Cockshutt) were not paid any dividends for eighteen long years and then had to give back 40% of their holdings in a reorganization of the company in favour of the bondholders, although other companies in the same line of business as the Plow Company were making big profits and paying dividends to the shareholders. While the common stock shareholders in the Plow Company were waiting for dividends and profits, Mr. R. E. Haire was busy operating the Gypsum Company for the benefit of the shareholders and paying dividends each and every year for more than thirty years until stopped by the depression.

Had Mr. Haire's management of your Company not been interrupted by Col. Cockshutt, your company would unquestionably be on a dividend paying basis today particularly in view of the tremendous revival in the residential building industry in the past few years.

There is a tremendous response by way of signed proxies in favour of Mr. Haire from shareholders and dealer customers throughout the Dominion who know Mr. Haire's record as a money-maker for the shareholders, who also know that this company's present Board and management are lacking in experienced operators in the business which is definitely showing up in the low earnings of the company.

The investment of money is not a matter of sentiment. It is a matter of having confidence in the management of the company. It is true as charged by Col. Cockshutt that at the present time I hold only a small number of shares. But even small shareholders still have their rights aside from the fact that I have been appointed to represent a great many shareholders who own a large number of shares. We all know that this business can and should pay large profits and dividends to the shareholders who have their money invested in the business, and as soon as the company is again being managed by experienced practical operators who know the business, under the direction of Mr. R. E. Haire, founder and former President, I am going to do the same as a great many other shareholders and outsiders, that is, again pick up a substantial number of shares for dividends and profits.

Each and every shareholder who has not already done so should take advantage of the opportunity of protecting his investment and also express his opinion regarding so-called professional directors such as Col. Cockshutt and Mr. George A. Dobbie, controlling a company which is engaged in a line of business in which they have had no previous operating experience—by sending in his proxy, or if shares are registered in brokers' names by having those brokers send in proxies in favour of Mr. R. E. Haire, thus helping to return successful experienced management to office so that profits and dividends can again be paid to the shareholders.

R. S. McCurdy

R. S. McCurdy,
Chairman.
Shareholders' Protective Committee,
1014 Canada Permanent Building,
Toronto.

Note: It would assist greatly both the brokers and this committee if shareholders, whose shares are registered in brokers' names, would please advise this committee promptly the name of the broker to whom they have given instructions to send in proxies.

Newsprint Profit Outlook Bright But Should Not Be Exaggerated

Excesses of Stock Market, Stock Watering, Scored By Authority

By JOHN STADLER

Consulting Newsprint Engineer
Address to Annual Meeting of Investment Dealers' Association of Canada

The sooner the investing public is educated to the point that the return on investment must come from legitimate and adequate profits in manufacturing rather than stock market speculation, the better it will be for the Canadian pulp and paper industry.

Take for example the newsprint industry. At the present time it seems the base price of $50 is the price at which this commodity will be sold for the first half of next year, and at the same time there is much talk going on about a $65 price for the second half of next year. I am credibly informed that some members of your association even approve of such unwarrantable propaganda.

The same also applies to the sulphite pulp market; at the present time prices as high as $70 per ton are quoted for unbleached pulp, and bleached pulp is being quoted as high as $90 per ton.

Ridiculous Figures

Such figures in my opinion are ridiculous; they are brought about by the extreme shortage of this commodity. It is my sincere hope that very little pulp will be sold at such high prices, because if much is sold it could not do otherwise than eventually create an unfavorable reaction.

The tendency of any manufacturer must be efficient manufacturing and marketing methods under which conditions he can expect a remunerative return on his investment, not omitting adequate provision for depreciation and obsolescence, which in previous years has unfortunately been overlooked entirely.

There has been much talk for some time past that the only way to make money in the pulp and paper industry is to leave the industry just as it stands so that the law of supply and demand will bring about a rise in price, so that even the most absolete mill can make money. Such a policy would be most fatal.

Any manufacturer to give service to his customer must reserve from 10 to 15% of his productive capacity.

On such a basis of elementary insurance to a manufacturer's customer, even our newsprint industry which was much advertised as being overdeveloped, has at this time not the reserve capacity a prudent manufacturer should have, to protect his customer.

Five-for-One Machines

We are all aware that since 1930 no new machines for making newsprint have been added in Canada, but during that period many newsprint machines have been installed in England, France, Belgium, Hungary, Germany and last but not least, in Finland. With the exception of the installations made in Finland and Hungary, all other machines have been installed in converting mills and are therefore dependent on the supply of pulpwood or pulp from other countries.

This conclusively shows that if we do not expand our facilities for producing cheap newsprint paper, other countries who have the raw material will provide same.

We know that at the present time only two new machines are being installed in western Europe, one in England and the other one in France. We are informed, however, that replacements are taking place for several machines in Finland. It is my opinion that when old machines are being replaced by new ones, invariably the capacity of a new machine will be at least five times that of the old machine. I have actually replaced several machines in those countries to which I have referred, and the new machine invariably produces a little more than five times as much as the old one.

With that in view there is additional new production of newsprint in sight, but in my humble opinion, I consider only production from Finland as being competitive. Other countries who do not have their own raw material will have to purchase same at such a price that they cannot afford to sell newsprint at a price which would not give a profitable return to the efficient Canadian producer.

What about pulp? Can we here in Canada produce mechanical and chemical pulp and compete with world's markets?

My answer is yes, but we must be careful in the selection and development of our available natural resources in relation to our markets.

It is unfortunate that for almost 15 years Canada has not supported the pulp industry. This is to a large extent brought about by the fact that the investing public in Canada could not differentiate between newsprint and pulp.

I do not want to blame you directly for this shortcoming of the Canadian investing public, but I believe you have been a contributing factor in so far as you have failed to educate the public to differentiate between pulp and newspaper.

As a result of this, developments for the manufacture of chemical pulp have been made everywhere else, where suitable pulpwood was available, except in Canada. And in some of the plants built outside Canada, our pulpwood is used to produce what we should make from our own raw materials.

Watered Stock Won't Work

Speaking to you from an investor's point of view, or rather as an actual investor in the Canadian pulp and paper industry, I cannot help but be somewhat critical of some of the activities of your association in the past. And although I must object to government interference in business, I cannot seriously oppose government regulations which have actually been introduced, or are being formulated, pertaining to the watering of stock. You know the paper industry requires water to make paper, but you must not put that water back into the stock; it does not work.

This, in my opinion, has been one of the greatest contributing factors for loss of confidence in the pulp and paper industry by the Canadian investor.

The pulp and paper industry is basically sound, but it must be financed on a basis on which other manufacturing concerns must be financed.

Some time ago it was announced that the Prime Minister of Quebec had authorized negotiations for the exportation of 600,000 cords of pulpwood, to be cut from Crown lands, to European producers of pulp. And as recently as June 10 of this year the Prime Minister of Ontario made a statement which further encourages the exportation of pulpwood from Crown lands of Ontario to the United States. His reason for this is, that large tracts of forests which are coming to maturity and are not being utilized, will result in a total loss of a material it took Nature over 100 years to produce, if this material is not cut.

I cannot therefore do otherwise than to prevail upon you and encourage you in every way possible to analyze carefully Canada's economic status which points to the necessity of getting the most out of our raw materials. With that in view your activities should be directed to discouraging the Government in the exportation of pulpwood.

To obtain the co-operation of the governments for the restriction of the exportation of pulpwood, you must have something to offer.

The only thing, as I see it, your association can do is to provide the funds necessary so that when the time is opportune, the facilities can be provided to manufacture matured wood into a finished or a semi-finished product.

By doing so, the money which Canada will receive for the exportation of the semi-finished or finished product, will be from three to five times as much as it would receive when it is exported in its raw state.

I always have been and still am a believer in the Canadian pulp and paper industry. I have been associated with the pulp and paper industry for over 30 years and my activities not only cover the North American continent but also the western and northwestern parts of Europe.

I am of the firm belief that newsprint manufacture in Canada is a basic industry and as such, if properly managed, will continue to be a very important contributing factor to the general welfare and profitable to most of the investors.

According to most reliable information there are no timber lands along the northern boundary line of the United States which would justify the construction of new mills. In fact, the last two-machine mill depends largely on wood imported from Canada.

Southern Pine Situation

Much publicity has appeared in the papers that cheap newsprint can be made in the southern part of the United States, but at the time I am making this address I have no confirmation that the construction of a commercial newsprint mill has actually started.

I have an intimate knowledge of the situation as it presents itself in the southern part of the United States, and therefore when I tell you that I have no confirmation at the present time that a commercial newsprint mill has been started, I mean what I say. If anybody says that mills have been started, they are still only experimental to prove a commercial enterprise.

Russia and Manchukuo

For the purpose of discussing world newsprint possibilities, I shall eliminate Russia. We all know of the great forest wealth Russia has, but we have, unfortunately, not sufficient information to permit us to make any prediction with reasonable accuracy as to its economic exploitation. We have some information about the developments which are now in progress in Russia for the production of newsprint and other paper and cellulose products. It is my contention, however, that for the next 10 years to come, Russia will have a great problem to supply her own requirements, not only for newsprint, but also for the various other products which are taken from the trees.

We are told that there are great possibilities for paper making in the territory that Japan has annexed (Manchukuo). Information which has been conveyed to me by parties who have visited that country leads me to believe that it will be many years before the political and economical situation will be such that developments of any importance can take place. When such developments are being made they will no doubt be hardly sufficient to take care of the demand, which is increasing very rapidly in that country.

Not so very long ago, in fact in 1929, of the entire world production of newsprint, 60% was used in the United States. The production of newsprint in the world today is much greater than it was in 1929, but the United States is now using only 40% of the world production. From that we may draw some conclusions as to what is taking place elsewhere than on the North American hemisphere.

Rise in Newsprint Stocks Worrying the Manufacturer

From Our Own Correspondent

MONTREAL.—A sharp rise in United States publishers' newsprint stocks at the end of April, 1937, as compared with the same date a year ago, has caused some concern, as possibly pressing an overexpansion of production.

At the end of last April United States publishers reported 325,089 tons of newsprint paper on hand, equivalent to 36 days supply at the current rate of consumption. In April, 1936, stocks totalled 237,717 tons, or 28 days supply.

At the moment the sharp advance in publishers' stocks is attributed more to the new policy of the publishers in "staggering" deliveries rather than unrestricted production, especially by the Canadian manufacturers.

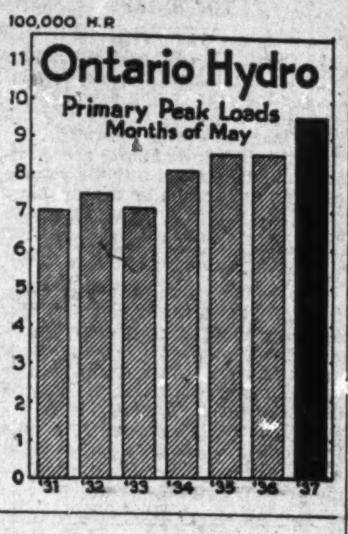
Trend to be Watched

So far there is nothing to indicate that the increase in publishers' stocks is abnormal, but if the increase continues into the fall months, then the trend will be of signficance in indicating a possible oversupply.

The advance stocking up of newsprint paper supplies by the publishers has a bearing on the newsprint situation in another direction. In other years publishers have taken deliveries as their requirements demanded, with the result that during the period of heavy consumption in the winter months, production has tended to show a sharp seasonal gain. By taking advance deliveries during the summer months under the new policy, the publishers will eliminate these peak months of production and shipments; a factor which should make for greater uniformity in manufacturing operations.

Sharp Gain Is Recorded In Hydro Load for May

Forest and Mine Provide Largest Increase for North



Primary power loads of all systems of the Hydro-Electric Power Commission of Ontario showed pronounced gains in May, compared with the same month last year.

The largest percentage increase in the load was recorded by the northern Ontario properties, including the Abitibi Canyon plant. This is due largely to high activity in forest and mining industries in the north.

The largest volume gain was in the Niagara system, in which particular interest has been aroused in the past two years because of cancellation of Quebec power contracts. The reduction in power purchased under contract for the Niagara system adds to the significance of the growth of power loads, as shown in the accompanying chart.

In 1931, the May peak load of primary power was only 700,000 h.p. and it rose to 960,000 h.p. in May, 1937.

As May is one of the summer months, the power load is far below the level for such dark winter months as November and December.

Secondary Loads Up

The combined total of primary and secondary power loads also recorded increase in May for all systems of the Hydro.

Primary power load cannot be interrupted at the will of the Hydro. The secondary power load consists of wholesale power distributed mostly at low rates for industrial use, and at periods when the primary power load is not at its peak. The combined peak load of primary and secondary power, however, reflects the coinciding of the uninterruptable primary load and the secondary load which may be interrupted at the will of the Hydro in many cases.

Comparative figures for May are as follows:

Ontario Hydro-Electric Power Commission Monthly Summary of Loads

Maximum 20-Minute Peak Horsepower

	May 1937	May 1936	Incr. %
Primary Load:			
Niagara system.	960,188	852,413	+12.6
Eastern Ont. ...	114,035	101,347	+12.5
Georgian Bay ..	25,677	24,424	+5.1
Thunder Bay ..	83,834	71,602	+17.1
Northern Ont. ..	102,115	72,056	+41.7
Total	1,285,849	1,121,842	+14.6
Primary and Secondary Loads:			
Niagara system.	1,133,914	992,761	+14.2
Eastern Ont. ...	124,055	114,082	+8.7
Georgian Bay ..	25,677	24,424	+5.1
Thunder Bay ...	135,107	129,987	+3.9
Northern Ont. ..	152,517	125,542	+21.5
Total	1,571,270	1,386,796	+13.3

Gain Is Shown By Brown Co.

Returns for 24 Weeks Well Ahead of Last Year —No Plan Yet

From Our Own Correspondent

MONTREAL.—Brown Co. reports a net profit for the 24 weeks ended May 15, 1937, after current interest, income taxes, depreciation and depletion, and after allowing for deferred interest, of $567,736. A loss on the same basis of $757,691 was reported for the first 24 weeks of the previous fiscal year.

In a letter dispatched to the bondholders by the Protective Committee, it is stated that, in accordance with court order, the trustees have employed Coverdale and Colpitts to make a survey of the company with respect to earning power, rehabilitation needs, working capital requirements, timberlands and the desirability of expansion. They will be aided by pulp and paper engineers and a forester. It is anticipated that the survey and report will be completed this fall.

An increase in business is chiefly responsible for the improved showing. In the 24 weeks period this year, net sales totalled over $11.1 millions, an increase of 37% over sales of $8.1 million a year ago.

Your Executor

THE Executor named in your will should combine experience, promptness and accuracy and be willing to give courteous, personal attention to the affairs of the estate and the interests of the beneficiaries.

You may obtain these advantages by naming this Trust Company as one of your Executors.

Talk to one of our experienced Trust Officers.

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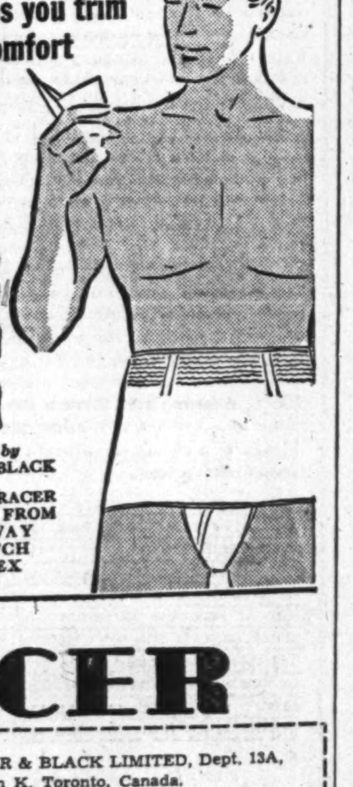

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NO MATTER how smart your clothes you can't look your best if your waistline is bulging. Try The Bracer. In 3 seconds your figure will be trim—youthful. And you'll *feel* younger—have more pep.

Made by Bauer & Black with the same care given surgical dressings, it has a seamless belt and fly front supporter for convenience and absolute comfort. There are no buttons or buckles and the seams are "sure-fast" with live rubber by a patented process. Try The Bracer today!

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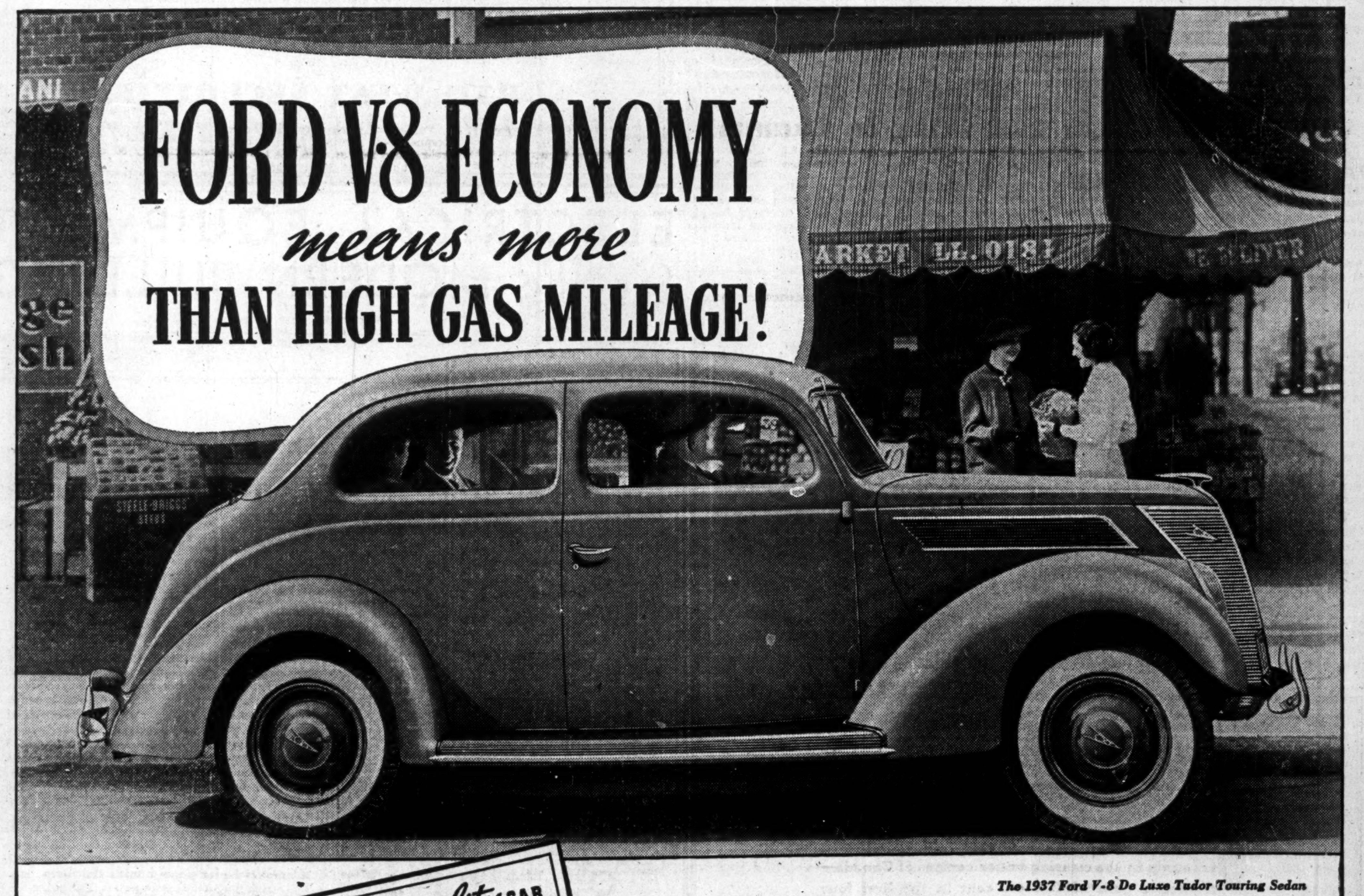

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THIS year's Ford car is good news to your pocketbook! Always economical to own and operate, the Ford V-8 now reaches a new level of economy. Owners everywhere are talking about the higher gas mileage given by the improved V-8 engine, without sacrificing any of the traditional Ford V-8 smoothness and the whirlwind performance and power for which it is famous.

The Ford V-8 is engineered for economy throughout. Its soundness of basic design, simplicity of construction, and the rigid standards controlling the manufacture of steels, materials and parts—all make for long life and freedom from repairs. The Ford V-8 can be serviced anywhere at minimum cost.

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The Quality Car in the Low-Price Field

Investment Trends

Buying Range Seen For Common Shares

Analysts Suggest Share Prices May Be Near Bottom Although Evidence of Resumption of Rising Prices Is Still Lacking

Comment on the sluggish movements of stock close to the lowest prices for the year seems to lean toward the view that common shares are in a buying range.

The trend of prices for the immediate future has not been clarified much by recent movements. In the absence of definite indications that the decline has been completed, investors continue cool toward the stock market, as is shown by the small volume of trading.

Strikes in the United States continue a most popular topic for pessimistic discussion of the stock market situation. The optimistic view is that the strike news has been so bad that it is likely to improve in tone.

Long-range observers of economic influences on stocks are not greatly disturbed by the present period of reduced prices. It is maintained that economic recovery is still some distance from real prosperity. Activity in heavy industries and improved income in such primary industries as forestry and agriculture, particularly in Canada, should contribute ultimately to better business and firm prices for stocks, it is felt.

After a period of liquidation from European sources, it is now reported from New York that there are indications that European funds are trickling back into Wall Street.

More Resistance

The dwindling of volume of stock market trading, and the small extent of the recent decline, are interpreted to mean that liquidation is less extensive and that there is increased resistance to the recent downward trend of prices.

One advisory service points out that on the decline from March to the end of April, the Dow-Jones average for New York industrial shares dropped over 24 points to 170.1 with volume ranging over 2½ million shares in a single day. Subsequently the average has gone only about five points lower with volume of trading cut in half, and less.

On the Montreal Stock Exchange, the official index for industrial shares has not again reached the low of 100.3 at the close of April. Neither has the Toronto Stock Exchange average for industrials gone as low as the level of 157.8 reached eight weeks ago.

Volume of trading has dwindled in Montreal and Toronto just as it has in New York.

The difficulty in determining when stocks have completed a temporary decline is that the establishment of the bottom level is usually not apparent until rising prices have got under way once more. Advisory services suggest, however, that even if common stocks have not reached bottom they are sufficiently close to it to warrant discriminating purchases.

* * *

Abitibi Share Ratios

We now have three proposals, via the liquidator, to exchange Abitibi Power & Paper preferred and common shares into new common stock. Analysis of the proposed exchange ratios between the present common and preferred shares suggests either that stock market values are wrong or else the plans are not likely to be adopted.

Abitibi 6% preferred, for example, is selling around $60 a share, and the common has been slightly above $6. That gives a value of about ten to one in favor of the preferred.

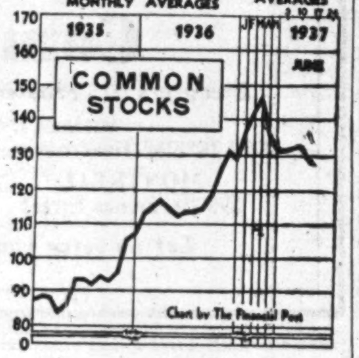
Now consider the proposed exchanges, leaving out such complications as subscription rights, which are not of great value at present anyway.

The Wood, Gundy proposal was 4¼ common shares for one 6% preferred share, and one new common share for 10 of the present common. That would make each preferred share worth 42½ times each common share.

The Harrison & Co. proposal was 2½ common for each 6% preferred, and one new common for eight of the present common. That would make each present preferred share worth 20 times each present common.

The liquidator's own proposal of 4½ common for each preferred, and one new common for each five old, would make each 6% preferred share worth 22½ times as much as each of the present common shares.

From these calculations, it appears that either Abitibi 6% preferred is undervalued or the common overvalued on the stock exchanges. Some investment men prefer to avoid both in favor of other newsprint shares that are not subject to the uncertainties of reorganization.



BACK TO DEPTHS

Common stock prices went down in the week ended June 17 and carried the Dominion Bureau average to 128.4. Comparative figures appear on this page.

Canadian Theatre Co. Refinancing Is Passed

From Our Own Correspondent

MONTREAL.—Holders of Canadian Theatre Co. 6½% first mortgage bonds, due 1941, have accepted the plan of reorganization put forward by the company. The bondholders have approved extension of the maturity date from Sept. 1, 1941, to Sept. 1, 1951; reduction in annual interest rate from 6½% to 5%; abrogation of gold clause; and the commencement of the sinking fund on March 1, 1942, dependent upon earnings of preceding years.

Canada Cement Outlook Better

Earnings Expected to Show Moderate Rise for Year

From Our Own Correspondent

MONTREAL.—Present indications are that earnings of Canada Cement Co. for the year ending Nov. 30 next will show a moderate improvement, The Financial Post is informed.

While no definite figures are available it is understood that the volume of business handled by the company in the first half of its fiscal year showed a modest increase over the first six months of the 1935-36 fiscal period.

A beneficial factor affecting earnings this year is the reduction in fixed charges resulting from the refunding of the company's first mortgage bonds last fall. The saving in this regard, together with the anticipated improvement in earnings from increased sales, is expected to enable the company to show a net profit in excess of the present $4 dividend on the preferred stock.

Investment Notes

Brazilian Traction—Commenting on the improvement in gross and net earnings this year, and the strength of the milreis, Brazil's currency unit, the Stock Exchange Gazette, London, suggests that at $25 a share the common stock is "a fair speculative purchase."

* * *

Union Gas—In the annual report President S. A. Morse says the company has not received the reorganization plan for United Fuel Investments. But there is little doubt that, except for lesser details, directors of both firms know all about the plan. It is expected to be published very soon.

* * *

Dominion Textile Co.—Financial statement for the year ended March 31, 1937, will make its appearance next week. Expectations are that the report will show earnings on a more favorable basis than a year ago, when $3.60 a share was earned on the common stock, as against dividend requirements of $5 a share. The last 12 months have been an exceptionally active period for the cotton textile firms and the reports of other operators have shown a considerable expansion in income.

* * *

B. C. Power.—It now appears that the gross income of B. C. Power Corp. for the year ended June 30 will show an increase of approximately $1 million over the previous 12 months. Up to the end of May there was an increase of $928,629. Most of the gain in gross has been absorbed by increased operating expenses, but net will be somewhat better than a year ago.

* * *

Southern Canada Power—Improvement in earning power of Southern Canada is shown in the returns for the eight months ended May, 1937, when there was a surplus after dividends of $16,326, whereas for the corresponding period of last year there was a deficit of $17,353 on the same comparative basis.

* * *

Barker's Bread—Continuing its monthly payment, the company is paying a dividend of eight cents a share on the common stock on July 2, to shareholders of record June 23. It is the only Canadian industrial company with a public interest paying monthly dividends.

Can. Breweries Dividend Is Up

Wage Increase to be Made July 1 and Pension Plan Inaugurated

Indicated profit of Canadian Breweries Ltd. for the eight months ended June 30, 1937, is stated by E. P. Taylor, president, to be sufficient to cover the two preference dividends of 37½ cents a share paid so far this year and a 50 cents payment which has just been declared.

The directors have increased the quarterly payments on the preference stock to 50 cents a share compared with 37½ cents a share that has been paid since Jan., 1935. The current payment will be 50 cents a share payable July 15, 1937, to shareholders of record June 30. After the July 15 payment arrears will be $4 a share. The stock is entitled to a cumulative dividend of $3 per share.

For the three months ended April 30, 1937, a deficit of 16 cents a share was reported on the preference stock while a profit of nine cents a share was shown for the quarter ended Jan. 31. In the year ended Oct. 31, 1936, net profits were equivalent to 53 cents a share on this stock.

A general wage increase has also been announced to be effective July 1. The company is also arranging through an insurance company to start an income retirement plan for its employees. The plan is intended to permit employees to retire at 65 years of age and provide them with an income for life.

Dominion Stores Sales Up 2.77%

Small Net Profit Expected for First Six Months of 1937

An increase in sales for the four-week period ended June 12, 1937, of 2.77% is reported by Dominion Stores Ltd., as compared with the corresponding period of 1936. For the year 1937 to June 12 sales increase has been 1.96%.

Monthly sales figures since the beginning of 1937 compared with 1936 are as follows:

Monthly Sales
(Subject to final adjustment)

Four week period ended:	1937 $	1936 $	Incr. %
Jan. 23	1,457,927	1,413,478	3.14
Feb. 20	1,474,990	1,452,068	1.58
Mar. 20	1,544,860	1,513,367	2.08
Apr. 17	1,547,273	1,510,892	2.41
May 15	1,515,533	1,517,152	*0.11
June 12	1,503,839	1,463,362	2.77
	9,044,422	8,870,339	1.96

*Decrease.

It is interesting to note that the number of stores operated by the company has been decreasing in 1937 as compared with 1936. Actual figures have been as follows:

Period Ending 1937	Reduction in No. of stores compared with 1936
Jan. 23	5
Feb. 20	11
Mar. 20	15
Apr. 17	17
May 15	19
June 12	19

Net Profit Expected

It is expected that Dominion Stores will be able to report a very small net profit for the first six months of 1937 when the half-yearly report is published about the middle of July.

Biltmore Hats Declares Dividend on New Stock

An initial semi-annual dividend of 25 cents per share has been declared on the new common stock of Biltmore Hats Ltd., payable July 15, 1937, to shareholders of record June 30. This is equivalent to the regular payment of $1 per share on the old common.

Sales volume has been well maintained and earnings have well covered dividend payments of $37,129 on preferred and common stocks for the first six months of the current fiscal year, according to a letter to shareholders from the president, F. R. Ramsey. The company has also redeemed $8,300 of preferred stock.

Significant Investors' Index Numbers

1926 = 100

No. of Securities	Mach. and equip. 8	Pulp and paper 6	Milling 4	Oils 4	Textiles and clothing 10	Food and allied prod. 13	Beverages 7	Bldg. mater. 14	Indust. mines 2	Total industrials 68	Total utilities 19	Total co's. 96
1929-36:*												
High	432.5	113.4	273.4	423.5	113.5	197.8	205.4	281.1	591.3	317.6	166.0	196.3
Low	39.2	3.0	37.7	87.7	30.8	78.8	33.8	44.3	74.9	56.0	36.9	43.3
1937:												
Jan.	156.3	37.2	119.8	229.6	77.3	184.2	141.0	197.0	549.3	222.0	68.5	137.4
Feb.	163.4	36.7	120.7	235.2	78.5	188.2	139.3	203.5	586.7	228.8	73.1	142.4
Mar.	168.3	40.2	127.0	247.7	80.2	190.0	141.8	213.4	618.2	241.7	71.0	147.2
Apr.	157.5	47.1	117.4	230.4	79.9	182.4	133.4	204.8	538.9	224.1	64.1	136.2
May	151.3	38.5	109.4	220.6	77.5	178.5	128.4	188.4	525.8	216.4	63.0	132.2
Weekly Figures, 1937:												
June 3	150.8	39.8	105.0	225.2	77.2	178.1	126.7	187.4	520.3	214.0	63.5	131.3
June 10	152.6	40.1	103.5	223.4	77.9	178.9	131.4	186.9	526.6	214.1	64.2	131.8
June 17	148.0	38.0	105.0	219.5	78.0	178.5	132.6	184.7	503.7	209.1	63.2	129.0

*High and low for years from 1929 to 1936 inclusive are based on weekly figures compiled from figures issued by Dominion Bureau of Statistics.

Toronto Stock Exchange Index

	20 Indus.	20 Golds	20 Misc. Mines
June 22	159.84	109.60	145.42
June 21	161.20	115.54	149.53
June 19	161.49	117.98	151.60
June 18	161.71	117.86	151.71
June 17	161.49	117.77	152.20
June 16	162.48	119.60	154.38
Month ago	168.55	128.07	165.74
Year ago	131.47	141.78	130.08
High, 1937	187.67	168.59	215.38
Low, 1937	157.82	117.33	151.03

Montreal Averages

	10 Util.	20 Indus.	30 Comb'd
June 22	77.0	103.1	94.4
June 21	76.7	105.2	95.7
June 19	76.9	105.3	95.8
June 18	76.9	105.7	96.1
June 17	76.7	105.3	95.7
June 16	76.5	105.7	96.0
Month ago	Closed		
Year ago	68.9	73.5	72.0
High, 1937	92.5	122.2	109.5
Low, 1937	74.8	100.3	92.3

Massey-Harris Company, Limited

5% First Mortgage Bonds

Due October 15th, 1947

Price: 98 and interest,
Yielding 5.25%

Massey-Harris Company, Limited is the largest concern of its kind in the British Empire, manufacturing a wide range of farm implements and machinery. Distribution of the Company's products is world-wide.

In the 1936 fiscal year, net income available for interest and depreciation amounted to $1,725,862, compared with interest requirements of $570,403.

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Toronto
Telephone: ELgin 4321

Wood, Gundy & Company
Limited

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Unsurpassed facilities for vacation enjoyment, Golf, Tennis, Lawn Bowling, Bathing, Canoeing, Launch and Steamer Trips, etc. House steam heated, also open fireplaces. Cottages adjoining to let furnished. Garage accommodation. Good motor roads. June 26th to Oct. 1st. Booklet, Rates and Map on request.

ELGIN HOUSE LIMITED
Lake Joseph, Muskoka, Ont.

150 rooms with hot and cold water, 75 with private bath, 75 with steam heat, and private balconies.

First Public Share Offering

Skylines Express Limited

—CAPITAL: 175,000 SHARES—

A basically sound enterprise regarded as an investment with attractive speculative possibilities. An opportunity to participate in one of the fastest growing industries of today—air transportation.

In establishing a new, permanent highway of the air under sound and experienced management, Skylines Express, Limited, with a modest capitalization, offers unusually attractive prospects for large returns on investments.

The Company is already providing rapid air transportation daily to the mines of Ontario and Quebec from Montreal, Toronto and Winnipeg, and with five luxurious, 12-seat airliners on order, the service bids fair to make aviation history in Canada, and, consequently, substantial profits for shareholders.

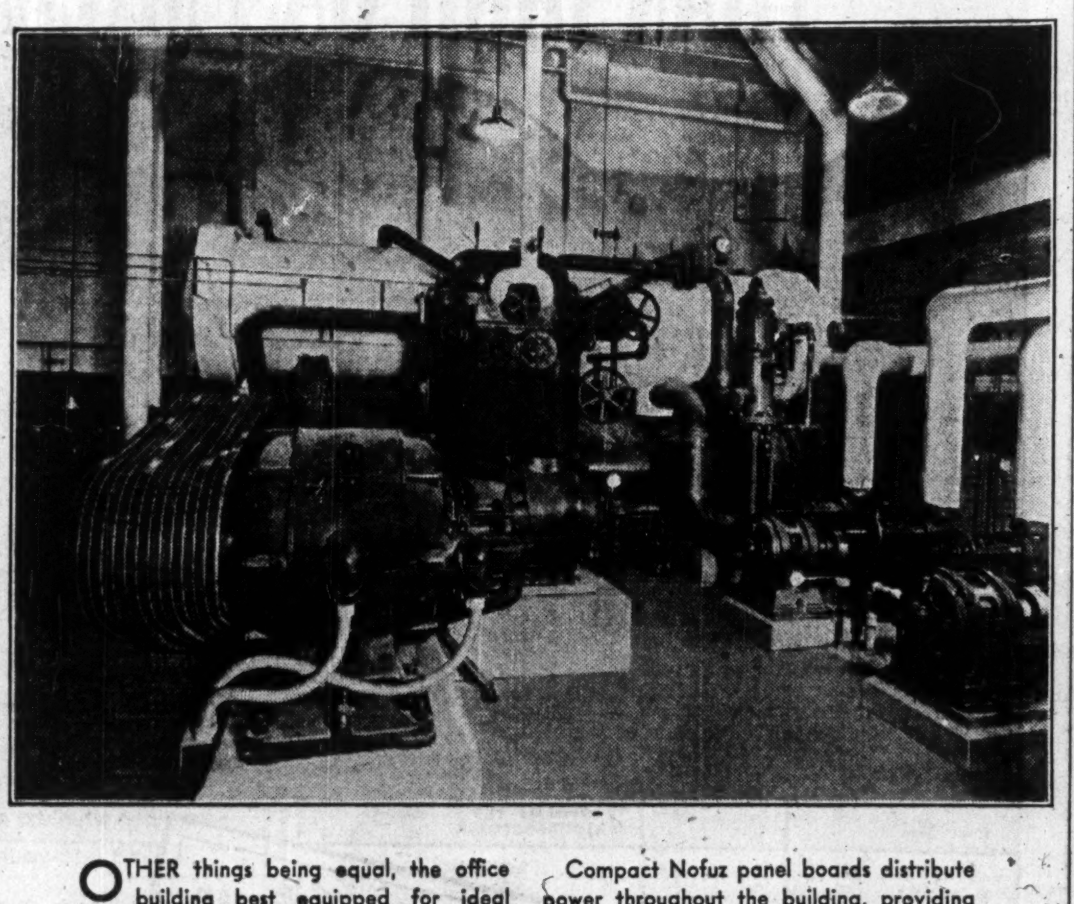
A limited number of shares have been sold at $7.50 per share and a further very limited number are being sold at $7.50 per share, preliminary to the major issue as outlined in the Company's prospectus.

Applications may be made for shares, but will not be accepted until the applicant has secured a copy of the prospectus of Skylines Express, Limited. A copy of this prospectus, including full details on the offering and company operations, may be secured on request through your own bank or broker or direct to

NORTH WEST SECURITIES

67 Yonge St. ADelaide 2159 Toronto

ELECTRICAL EQUIPMENT for the MODERN BUILDING



OTHER things being equal, the office building best equipped for ideal working conditions will be most in demand. Conditioned air, good lighting and convenience are essential today.

Pictured above is an installation in one up-to-date office building — the new Hamilton Public Building. This shows a Freon compressor, driven by Westinghouse motor by means of Cog-Belt drive. Circulating pumps are also Westinghouse motor driven.

Compact Nofuz panel boards distribute power throughout the building, providing the ultimate in convenience and safety. Westinghouse Transformers are also installed for lighting and power requirements.

Westinghouse makes every type of Electrical apparatus required by the building industry: motors, switchgear, control boards, lighting equipment . . . Everything Electrical. Be sure to ask your nearest Westinghouse office for any electrical information you want.

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8264

Westinghouse

Bank Debits Gain 12.5%

Bank debits—cheques charged to all banking accounts in the clearing house centres of Canada—showed a gain of 12.5 per cent in the first four months of 1937 compared with the same period last year. The gain is especially significant in view of the fact that bank debits in 1936 increased 14 per cent over the previous year and were the highest to be recorded since 1930.

Volume of bank debits is regarded as one of the most widely representative indices of business conditions; the gain recorded during the current year is an excellent measure of the betterment in business activity throughout the Dominion.

A list of investment suggestions will be gladly furnished on request.

NESBITT, THOMSON & COMPANY
LIMITED
355 St. James Street West, Montreal, P.Q.
Branches in the principal cities of Canada

THE FOUNDATION COMPANY
OF CANADA
LIMITED
And Subsidiary Companies

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C. E. GREARSON - Secretary-Treasurer
H. C. LINK - Asst. Secretary-Treasurer

Consolidated Balance Sheet, April 30th, 1937

ASSETS

Capital Assets at Cost:			
Land and Buildings		$ 186,974.95	
Plant and Equipment		1,001,255.92	
Marine Equipment		916,194.39	
Furniture and Fixtures		13,411.07	
		$2,117,836.33	
Goodwill		1.00	
			$2,117,837.33
Investment in Partly Owned Subsidiary Company at Cost			14,000.00
Current and Working Assets:			
Cash in Banks and on Hand		$ 375,331.77	
Accounts Receivable (including amounts held back on completed contracts)		271,524.42	
Deposits on Contracts		110.00	
Investment in Uncompleted Contracts at cost		25,944.45	
Inventories of Tools and Supplies at book values		14,215.98	
Investment in Dominion Government and Public Utility Bonds at cost (Quoted value April 30, 1937, $190,842.50) of which $151,000 par value are deposited under contract	$197,339.00		
Accrued Interest on Bonds	2,445.20	199,784.20	886,910.82
Deferred Charges to Operations			5,319.08
			$3,024,067.23

LIABILITIES

Capital Stock:		
Authorized—150,000 Common Shares of No Par Value.		
Issued—84,600 Common Shares of No Par Value		$ 710,000.00
Mortgages Payable 5%:		
Due November 1, 1940	$ 30,000.00	
Payable in semi-annual instalments of $12,500.00	50,000.00	80,000.00
Current Liabilities:		
Accounts Payable and Accrued Liabilities	$ 233,146.36	
Provision for Government and Municipal Taxes	10,068.34	243,214.70
Reserve for Depreciation		1,001,282.23
Reserve Against Contracts		22,954.50
Reserve for Fire and Marine Insurance		32,224.85
Earned Surplus:		
As per statement attached		934,390.95
		$3,024,067.23

Approved on behalf of the Board:

R. E. CHADWICK, Director.
V. M. DRURY, Director.

AUDITORS' REPORT TO THE SHAREHOLDERS

We have made an examination of the books and accounts of The Foundation Company of Canada Limited and its Wholly Owned Subsidiary Companies for the year ending ending April 30, 1937 (with the exception of Maritime Towing & Salvage Limited, the balance sheet of which has been certified by other Chartered Accountants), and have obtained all the information and explanations which we have required; and we report that, in our opinion, the above Consolidated Balance Sheet at April 30, 1937, is properly drawn up so as to exhibit a true and correct view of the state of the combined affairs of The Foundation Company of Canada Limited and its Wholly Owned Subsidiary Companies, according to the best of our information and the explanations given to us and as shown by the books of the Companies examined by us and the certified accounts above mentioned.

In accordance with Section 114 of the Companies' Act, 1934, we also report that the Company's proportion of the net profit for the year ending December 31, 1936, of the partly owned subsidiary company has been taken up in the above accounts only to the extent of dividends declared therefrom.

PRICE, WATERHOUSE & CO., Auditors.

Montreal, June 5, 1937.

Consolidated Statement of Profit and Loss and Earned Surplus April 30, 1937

Operating Profit for the year ending April 30, 1937, before taking into account the items shown below		$ 210,383.21
Add:		
Profit from sale of Capital Assets	$ 8,544.45	
Profit from sale of Investments	8,000.61	
Income from Investments	5,845.21	
Dividends from partly owned Subsidiary Company	980.00	23,370.27
		$ 233,753.48
Deduct:		
Interest on Mortgages	$ [illegible]9.96	
Executive Officers' Salaries	[illegible]404.00	
Directors' Fees	[illegible]419.00	
Legal Expenses	[illegible]223.19	
Provision for Depreciation	96,387.99	175,254.14
Net Profit, before providing for Income Taxes		$ 58,499.34
Deduct: Provision for Dominion and Provincial Income Taxes		9,500.00
Net Profit for year		$ 48,999.34
Earned Surplus, balance April 30, 1936		885,391.61
Earned Surplus, Balance April 30, 1937		$ 934,390.95

MONTREAL TORONTO HALIFAX

Bond Markets

New Refinancing Plans Looming in Ontario

Department Pushing Early Reorganization in Defaulting Municipalities — Quebec Issue Has Good Reception—New Brunswick in Market Soon

Work on refinancing plans for the various municipalities which are under the jurisdiction of the department of municipal affairs is proceeding rapidly in Ontario.

The department is taking a firmer stand and has adopted the attitude that those municipalities which are able to meet their obligations are going to be persuaded to do so without delay. The policy of the department is that each refinancing plan must be capable of standing on its own feet. That probably means that not only must the municipality be running its affairs soundly but the plan itself must be adjusted to meet the needs of the individual case.

Much work has already been done toward putting the municipalities of Leamington, Kingsville, Fort Erie, Niagara Falls, Pembroke and others in shape. Although no announcement has yet been made by the department, it is believed that further action may be expected soon now that the Windsor situation has been settled.

New Brunswick

Now that Premier A. A. Dysart has returned from Great Britain, the Province of New Brunswick is expected to call for new tenders for its $3 millions bond issue in the near future. The tender for the issue, submitted late in May, was rejected because, according to a Government announcement, "instead of competing, the investment houses combined and made an offer which the Government felt on general principles should not be accepted."

The Financial Post understands, however, that this was not the only reason for rejection of the offer. The Government was not entirely satisfied with the price offered which would have given a net cost basis of around 3.75%. Furthermore, the tender offered to give a firm underwriting for only part of the issue, and an option on the remainder.

It is possible that when it calls for new tenders, New Brunswick will receive a better price due to the strengthening of the market during the past month. This, however, is a matter of good luck rather than good management.

* * *

Quebec Issue

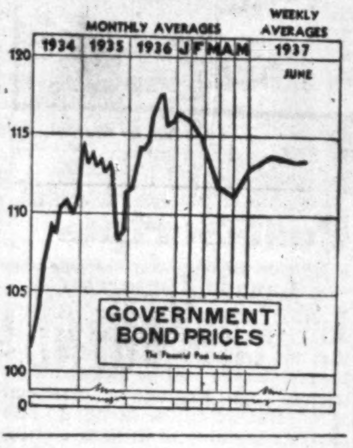
In view of market conditions it was to be expected that the Province of Quebec issue would be divided between short and long term bonds, but placing $20 millions of a $31 millions issue in short term bonds appears to be rather short-sighted.

The probable course of interest rates during the next five years is upward and Quebec may have to pay a higher rate for borrowed funds in 1941 and 1942 than it does now.

* * *

Inactive But Firm

The market continues inactive on all types of bonds in Canada and the United States. Saturday, June 19, 1937, saw only $2.9 millions of bonds traded on the New York Stock Exchange, lowest volume of transactions for a Saturday session since Aug. 2, 1930, when $2.8 millions were traded.



* * *

Corporation Bonds

High-grade corporation bonds continued strong. The more speculative issues generally follow the stock market. Dominion Woollens & Worsteds 6% bonds were a feature with a rise of about 40 points in the past few weeks.

The market absorbed the $4 million Mersey Paper 5% issue readily last week, when they were offered at 99. A further corporation bond issue which will likely appear in a few days will be the $1 million York Knitting Mills' issue. The latter, of course, is subject to approval by shareholders of York Knitting Mills and Zimmerknit Co. on June 23.

* * *

Bond Index

The Financial Post index of high-grade government bonds shows very little change in the past week. Prices, however, are considerably below those prevailing a year ago.

The trend of the high-grade bond market is indicated below.

The Financial Post Index of Average Price and Yield of High Grade Govt. Bonds

1937	Price $	Yield %	1936	Price $	Yield %
June 22	113.74	3.277	June 22	116.50	3.101
June 21	113.76	3.276	June 20	116.52	3.104
June 19	113.80	3.273	June 19	116.52	3.104
June 18	113.77	3.274	June 18	116.63	3.096
June 17	113.71	3.283	June 17	116.58	3.100
June 16	113.66	3.289	June 16	116.56	3.100
Year's	116.81	3.026	Year's	117.91	2.966
Range	111.60	3.505	Range	111.50	3.597

Municipal Finances

Windsor, Ont.—Tax collections for the first five months of 1937 have been $2.5 millions, or 63.78% of the year's levy, compared with 62% of the 1936 levy collected in the corresponding period. Including arrears of $595,743, a total of $3.1 millions has been collected in 1936 to the end of May.

* * *

Ottawa.—A reduction in the city's outstanding debenture debt from $22.9 millions to $21.7 millions is expected by the end of 1937. The city is expected to market $830,475 of debentures shortly for relief and public works but $2.1 millions of debentures will be paid off on July 1.

* * *

Lambton County, Ont.—A reduction of one mill in the county tax rate has been accepted by the county council. The 1937 levy is intended to raise $200,034, a reduction of $18,600 from the 1936 amount. The new rate is based on a revised assessment of $30.1 millions, or $1 million less than the assessment for the past five years. This year the county will make final payment of $50,534 to the province for highway work done in 1934 and the prospects for a further reduction in 1938 tax rate are excellent.

* * *

Waterloo, Ont.—An increase of 1.16% has been reported in tax collections to June 1, 1937, as compared with the corresponding period of 1936.

* * *

Smiths Falls, Ont.—A reduction of $97,442 in debenture debt features the financial statement of Smiths Falls for 1936.

Income and Assessment
Year Ended Dec. 31, 1936

Revenue	$102,662
Expenditure	102,976
Assess. value for taxation	4,573,223
Exemptions not included above	957,300

Tax rate, 1936: General, 18.525; debenture, 13.687; school, 15.288; total, 47.5 mills.

Last year's tax levy, $254,847; uncollected, $40,806; total tax arrears, $87,807.

Assets and Liabilities

Value of assets	$137,110
Total debenture debt	918,274
Total sinking fund	nil
Bank loans	60,000

Debenture Debt

Public utilities	$191,999
Local improvements:	
Ratepayers' share	308,725
Municipality's share	288,037
General	94,618
School	34,896
Total	$918,896

Public Utilities

	Net profits
Waterworks	$1,840
Electric light	9,681

* * *

Regina, Sask.—Detailed report of the trustees for the city of Regina sinking fund show total sinking fund assets of $7,505,181 at the end of 1936. This includes arrears of $867,424 of interest and principal unpaid on investments held. Levies due from the city were $140,196. Total sinking funds are stated to be $364,386 above the legal redemption reserve requirements. The grand total of the city's debenture debt at Dec. 31, 1936, was $16,870,226, before deducting sinking fund, compared with $16,855,423 at the end of 1935.

* * *

Chatham, Ont.—A reduction in total debenture debt of $108,574 was effected by the city of Chatham which operates under the city manager type of administration. Tax collections in 1936 were 111.07% of the current year's levy. The 1937 budget provides for revenue of $501,588 against $517,731 in 1936.

Income and Assessment
Year Ended Dec. 31, 1936

Cash receipts	$1,018,497
Disbursements	1,017,166
Assessed value for taxation	14,339,140

Tax rate, 1936: 34 mills

Total tax arrears, $207,165; last year's levy, $517,732; uncollected, $111,971.

Assets and Liabilities

Value of assets	$1,232,036
Total debenture debt	674,602

Debenture Debt

General	$184,569
Local improvements	181,157
Hydro-electric	202,346
Waterworks	49,996
Schools	56,533
	$674,602

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Union Gas Co. Profits Jump Votes Sought

Improved Report Paralleled by Renewal of Proxy Campaign

OUSTING COSTE

Net profits equivalent to 99 cents a share are reported for the year ended March 31, 1937, by Union Gas Co. of Canada, compared with 55 cents a share for the preceding year. Substantial increases in earnings have been recorded for April and May of this year.

The new report shows the company earned its bond interest charges four times after depreciation and amortization, compared with 2.35 times in the 1935-36 year.

S. A. Morse, president, states that the increase in earnings was due largely to rapid development of the London market for natural gas for house heating. Sales in other markets also increased, and the company's active consumers numbered 52,077 at March 31, compared with 48,027 a year earlier.

Capital Outlays

Capital expenditures and the forthcoming reorganization of the controlled company, United Fuel Investments, come in for extensive comments by Mr. Morse.

Gross additions to fixed assets in the year amounted to $802,143, and net increase was $494,221, after writing off old plants. However, the company's working capital increased from $234,997 to $701,599. The capital expenditures and increase in working capital were effected partly from earnings and to a large extent by sale of the company's holdings of $1 million of 6½% bonds of Hamilton By-Products Coke Ovens.

Mr. Morse says the present working capital "is sufficient to provide for the company's needs, but is not excessive."

Regarding reorganization of United Fuel Investments, Mr. Morse states that on April 14, 1937, directors of United Fuel advised shareholders of that company that a plan for capital reorganization would be submitted as soon as certain details concerning operations of the company had been completed. Mr. Morse states that Union Gas Co., which owns practically all the common shares of United Fuel, has not received the reorganization plan. When it is received, he says, Union Gas directors will submit it to shareholders before shareholders of United Fuel meet to consider the scheme.

Union Gas Co. annual meeting has been called for June 29, and eight of the nine directors have written to shareholders asking for proxies in support of a by-law to reduce the number of directors from nine to eight by removal from the board of Eugène Coste. Mr. Coste, in turn, has written to shareholders asking that they support him

Mr. Coste states that he does not accept the vote at the special meeting as final in view of his criticisms remaining unanswered. He attributes the results of the voting to holders of large blocks of stock who, he says, "chose to stick together with the ring of bankers and brokers who now control the company."

Comparative earnings figures for Union Gas Co. follow:

Income and Surplus Account
Years Ended March 31

	1937 $	1936 $
Net oper. profit	1,728,455	1,239,032
Add: Int. on sub. bds.	43,010	146,631
Disct. earn. on bonds	3,832	13,319
Miscellaneous	151	305
Net earnings	1,775,448	1,399,287
Less: Depreciation	445,891	357,815
Amort. of devpmt.	203,142	194,916
Amort. nat. gas change-over	8,381	......
W/o London plant	29,865	29,865
Int. on Union Gas bds.	186,917	39,388
Int. on Windsor Gas bonds	52,938	53,836
Int. on City Gas bds.	12,060	12,420
Int. on bank loan	......	235,488
Part of Union Gas bond disct.	20,640	6,880
Income taxes	115,000	80,404
Net profit	700,614	388,275
Less: Divds. paid	355,469	......
Surplus for year	345,145	388,275
Add: Prev. surplus	1,005,191	574,032
Prof. on Ham. By-Prod. Coke bonds	41,038	80,487
Prof. on Windsor Gas bonds	335	.....
Less: Taxes, prior yrs.	22,194	......
Bond issue expense	1,154	37,603
Surplus forward	1,388,561	1,005,191

Surrender Charter

MONTREAL. — Application has been made to surrender the charter of Pacona Ltd.

This company was formed by Aluminium Ltd. and Lehman Bros. for the purpose of holding the old bonds of Price Bros. and Co.

Bond Redemptions

Bond Issues:	Rate	Year	Date	Price
Avon River Pr. D	5%	1964	July 1	103
Can Steamships.	5%	1943	Aug. 15	105
Mar. T. & T., A	5%	1956	July 1	104
Simpson, Robt.	5%	1952	July 1	105
Aluminium	*5%	1948	July 1	105
Asbestos Corp.	6%	1941	July 1	100
Do.,	3-3½	1937-8-9	July 1	..
Cred. Fon. Franco Can.	4½%	1956	July 1	100
Metropolitan Bldg.	7%	1944	July 15	103
La Comp. Gen. du Port de Chicoutimi	†5½%	Serial	July 1	102
Ottawa Tr., A	5½%	1955	July 1	103
Can. Cons Rub.	6%	1946	Oct. 1	110
*Bonds redeemed called by lot.				
†Now Saguenay Terminals.				
Stock Issues:				
Can. For. Invest.	†8%	pref.	July 1	105
†$100,000.				
Religious Issues:				
Soeurs de Charité d'Halifax	6½%	1937	July 1	105
R. C. Bishop St. John	5%	1939	July 1	101
Hotel Dieu St.-Valier, Chicoutimi	5%	1937	Oct. 1	....

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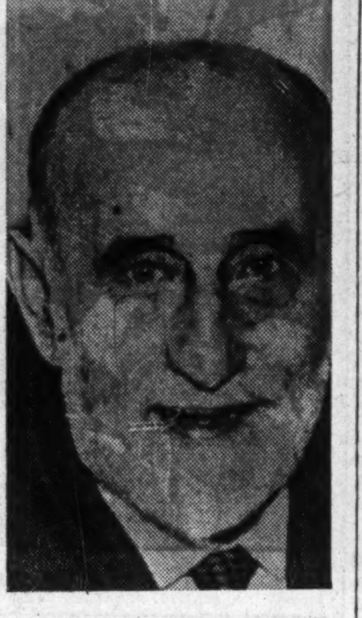
Storm Centre of Union Gas "Volcanic" Eugene Coste

Storm centre of the recent dispute over management of Union Gas Co. of Canada, Eugène Coste is a Canadian-born but French-trained mining engineer and geologist.

Of direct French ancestry, Mr. Coste was born in Essex county, Ontario, in the late '50's. His father, Napoleon Coste, who was an engineer and a native of France—not French Canada—sent young Eugène to school at Grenoble and Paris. Eugène graduated in 1883, that is 54 years ago, from the National School of Mines.



EUGENE COSTE

Volcanic is the word for Eugène Coste. He has over many years put forward the theory that natural gas and oil are of volcanic origin. He read a paper on the subject to the Canadian Mining Institute in 1903 when he was president. When he founded the Union Gas Co. in 1906, the name of the organization was Volcanic Oil and Gas Co. Today, he says, the majority interest in Union Gas Co. comes from the old Volcanic shares.

One of the points of dispute in the Union Gas affair is that Mr. Coste has formed a new company which other directors claim may be competitive with the Union firm. The name of the new Coste company is Volcanic Gas and Oil Co.

Finally, volcanic describes the stir created in Union Gas by Eugène Coste's recent requisitioning of a special meeting in an unsuccessful effort to remove four directors.

Mr. Coste's career in Canada goes back 54 years to 1883 when he returned to this country with his engineering degree and became a member of the Geological Survey for Canada. In 1888 he located and drilled in Essex county what is described as the first commercial gas well in Canada. Ever since that time he has been closely connected with development of gas wells in western Ontario.

Nearing 80, Mr. Coste is robust in appearance and lively in mind and speech for one of his years. Yes, volcanic is the word.

Distillers Corp. Earnings Gain

Three Months' Net Down But Year's Profits Are Up

From Our Own Correspondent

MONTREAL. — Distillers Corp. Seagram's statement of earnings for the three months ended April 30, 1937, shows sales of about $19.2 millions and a net profit available for dividends on the common stock of just short of $1.3 million, or equivalent to 74 cents a share on the outstanding common stock. For the same period a year ago, sales aggregated $14.7 millions and net profit available for dividends of $1.6 million.

It is now apparent that from returns for the last nine months, earnings of the company for the year ended June 30, 1937, are likely to run over $4 a share which would compare with $2.41 in the 1936 year.

Three Months Ending Apr. 30

	1937 $	1936 $
Net sales	19,183,995	14,738,419
Less: Cost of goods	13,714,672	10,074,998
Balance	5,469,323	4,663,421
Misc. income, etc.	25,991	22,571
Total	5,495,314	4,685,992
Less: Admin. exp., int., deprec., etc.	3,507,647	2,970,836
Inc. & profits taxes	519,801	95,476
Net profit	1,467,865	1,619,680
Less: Pref. divds.	187,500	......
Available for com.	1,280,365	1,619,680

Cumulative Income Up

For the first nine months of the current fiscal year, net earnings were equivalent to $3.24 per common share as compared with $2.55 in the corresponding period of the previous fiscal year.

Figures compare as follows:

Nine Months Ending Apr. 30

	1937 $	1936 $
Net sales	63,639,189	46,132,008
Less: Cost of goods	44,702,083	31,513,860
Balance	18,937,106	14,618,148
Misc. income, etc.	105,857	89,824
Total	19,042,963	14,707,972
Less: Admin. exp., int., deprec., etc.	11,004,250	9,575,192
Inc. & profits taxes	2,009,329	670,476
Net profit	6,029,384	4,442,305
Less: Pref. divds.	375,000	......
Available for com.	5,654,384	4,442,305

Bond Sales

Shawinigan Falls

An issue of $100,000 Shawinigan Falls, P.Q., 4% school bonds, maturing in 30 years, has been awarded the Banque Canadienne Nationale and L. G. Beaubien and Co., at a price of 99.76.

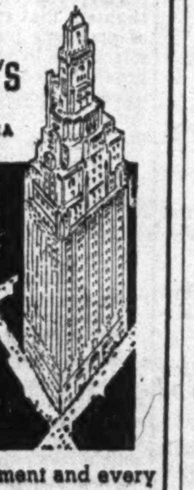
The net funded debt of the commission, including the present issue is $1,104,585. Total collections of school taxes in the 1935-36 fiscal year amounted to 102%.

* * *

Woodstock, Ont.

A $75,000 issue of Woodstock, Ont., 3½% installment bonds has been sold to Harris, Ramsay & Co., Toronto, at a cost basis of approximately 3.10%. The bonds mature in 15 installments. A complete list of the tenders received follows:

Harris, Ramsay & Co., Ltd.	102.89
J. L. Graham & Co., Ltd.	102.587
Harrison & Co., Ltd.	102.57
Midland Securities Corp., Ltd.	102.27
Dominion Securities Corp., Ltd.	102.177
Matthews & Co.	102.18
Gairdner & Co., Ltd.	101.721
McLeod, Young, Weir & Co. Ltd.	101.60
Bell, Gouinlock & Co. Ltd.	101.40
Royal Securities Corp., Ltd.	101.22
Bartlett, Cayley & Co. Ltd.	101.14
Dyment, Anderson & Co.	101.11
Wood, Gundy & Co. Ltd.	101.08
Griffis, Norsworthy Ltd.	101.07
R. A. Daly & Co., Ltd.	101.044
Mills, Spence & Co., Ltd.	100.56
Fry & Co.	100.15
C. H. Burgess & Co., Ltd.	100.073
A. E. Ames & Co., Ltd.	99.87
Harris, MacKeen, Goss & Co.	99.06



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Stock Is Offered By Air Service

Skylines Express Ltd. Seeks Public Financing of Plans

North West Securities, Toronto, has announced a public offering of 20,000 treasury shares of Skylines Express Ltd. at $7.50 a share. The announcement states that a later offering of 100,000 shares is planned at $10 a share and that "a substantial amount" of stock has already been subscribed at $7.50 a share.

Authorized capital of Skylines Express Ltd., which has been incorporated with a Dominion charter, is 175,000 no par value shares. No financial statements are included in the preliminary circular and only estimates of future earnings are given. Organizers of the company have been allotted 35,000 shares, held in escrow, for services.

Officers and directors of Skylines Express Ltd. are as follows: J. Moar, president and general manager; G. R. MacNamara, Toronto, sec.-treas.; H. Hollick Kenyon, oper. super. Toronto division; Frank S. McGill, Montreal; H. A. Oaks, Port Arthur, Ont.

The company is now operating five Waco aircraft, having a passenger capacity of four for each plane, according to the circular. A direct daily service from Toronto, Montreal and Winnipeg to the mining areas of northern Ontario and Quebec is stated to be planned. Ownership of Northern Flights Ltd. has been purchased and service by that unit is being provided out of Toronto.

Financing is stated to be required for purchase of five Fairchild "Sekani" airliners (12-seat capacity), extra motors and parts, ground equipment and supplies, radio equipment, air terminals, and working capital of $300,000.

According to the statutory information included in the prospectus, a total of 38,073 shares has been issued without giving effect to the offering of 20,000 shares now mentioned. North West Securities, Toronto, has an option on 20,000 shares, which are now being offered at the price of $6.37½ net to the company. This option extends to Aug. 6, 1937, and, if fully exercised, will realize $127,500 for the company.

It is stated that this money is to be used as follows: $859 for preliminary and organization expenses; $33,679 for purchase of aircraft from Fleet Aircraft Ltd.; $92,962 for working capital.

Moves to Toronto

MONTREAL.—Frontenac Oil Refineries, subsidiary of McColl-Frontenac Oil Co., has taken out supplementary letters patent changing the head office of the company from Montreal to Toronto.

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TORONTO, JUNE 26, 1937

The Financial Post's Platform for Canada

1. *Balanced budgets.*
2. *Abolish politics in C. N. R.*
3. *Merit system in public service.*
4. *Freer foreign trade through Empire preferences and foreign treaties.*
5. *Stable tariffs for balanced development.*
6. *Stricter laws to protect investors.*
7. *An even break for Canadian national newspapers and periodicals.*
8. *A modernized constitution.*
9. *Integrity in meeting public obligations.*
10. *Wider markets for our farms.*

A Problem of Great Urgency

THE news from London that the Canadian Cabinet has not been able to agree upon a chairman for the Royal Commission on public finance is most disturbing.

Apparently there is considerable difference of opinion among members of the Government as to the purposes of the commission. And it is also stated that some members of the Cabinet are unalterably opposed to the appointment of a Britisher as head of the commission.

It seems likely that in the conflict of opinion on the first point will be found the reason for the conflict on the second point.

Some of Mr. King's associates regard the duty of the commission to be to survey the constitutional basis of confederation and draw up a formula for modernization of the British North America Act. If the emphasis is placed on constitutional procedure then French Canada is likely to feel that there should not be a British chairman for the commission.

It would be a very serious mistake to give the Royal Commission wide powers to examine into the constitutional structure of Canada. Revision of Canada's constitution must be carried on by the ordinary democratic processes of government in this country — slow-moving and cumbersome as they are. We do not need an outside expert or group of experts to present us with a model plan for a new system of government. Rather we must feel our way toward modifications in our system of government and do so along the pathway of domestic discussion and experiment. In Canada, it is less important to have a theoretically ideal constitution—suitable for a homogeneous nation—than it is to preserve unity in our nationhood. Almost any student of government could provide us with a plan for something better than we have now. Only the most far-sighted and dexterous of Canadian statesmen can ever unite the opposing forces of Canadian opinion on any plan or any details of a plan. It is better to have an antiquated constitution than to have no nation to use a model constitution.

In due course, Canada can take the necessary further steps leading to the rebuilding of our constitutional framework. A national convention is on the cards for the near future.

There is, however, one phase of the relationships of different classes of government in Canada that cannot survive delayed treatment. That is in the specific area of financial relationships. Involved are the allied questions of the taxation powers of the Dominion and the provinces: of the responsibilities for spending imposed upon each class of government; and of the burden of public debt and where it rests.

There are provinces in Canada that are on the edge of insolvency. They are supported only by Dominion credit. Their difficulties are only in part the product of profligacy in public expenditure. Equally extravagant provinces enjoy comparatively good credit standing. The difficulties are largely the result of their effort to carry out the obligations imposed upon the provinces by changing public conceptions of the responsibility of government without a parallel enlargement of the revenues with which to finance those functions.

Prime Minister King announced the purposes of the commission as follows:

> "We propose to appoint a Royal Commission of Enquiry to investigate the whole system of taxation in the Dominion; to study the division of financial powers and financial responsibility between the Dominion and the provinces, and to make recommendations as to what should be done to secure more equitable and practical division of the burden to enable all governments to function more effectively—and I may add, more independently—within the spheres of their respective jurisdictions."

The Financial Post has not seen the exact terms of reference but has been informed unofficially that, in their draft form they do not go beyond this necessarily narrow and effective summary of the task to be done. No major examination of the economic disabilities of different geographic sectors of Canada is provided for; no survey of the machinery for revising our constitution was originally contemplated.

True, the commission's report may suggest certain directions in which our constitution will require revision. These changes will be related to the questions of taxation and expenditure. They need not be changes that would do violence to the will of any group in Canada, whether a majority group or a minority group, and they can only be effected after comprehensive and intelligent discussion.

The task is one that will demand doing by experts in public finance and taxation. The British Isles is rich in such experts. One could name offhand a dozen men who would be most suitable as chairman or members of the commission: Sir Josiah Stamp, Sir Arthur Salter, Sir Richard Hopkins, Sir John Leith-Ross, Sir Otto Niemeyer and many others. Each of these men has surveyed similar problems in other countries. Each of them would have no reason to do other than give Canada the soundest advice in our own national interest.

The ideal commission would be composed of a British chairman of the type mentioned; of an American expert of the character of Prof. Jacob Viner; of an Australian or South African expert who had worked on similar problems in his own country; of one or more Canadian authorities. They would be aided by Canadian economists and financial students and in turn would be assisted by the carefully prepared briefs of the provinces and of our institutes of public finance.

It will prove very costly to Canada if the appointment of the commission is delayed or if its work is rendered ineffectual, before it is even appointed, by such a broadening of its terms of reference as to arouse unnecessary controversy in advance or send it out on a search for generalities and compromises.

The price Canada will pay for delay will be heavy. We shall pay in further provincial defaults; in a continuance of duplicate taxation and over-lapping government; in a rising burden of taxation and debt.

We Need Larger Cattle Market

PARTIAL reopening of the United States market has considerably brightened Canada's cattle picture. Within two years of the closing of this great southern outlet by the tariff increases of 1930 cattle prices in this country fell to the lowest point in 25 years. Shipments of live animals to Great Britain, while of some benefit, were insufficient to keep surplus from accumulating rapidly. Cattle raisers in both the western provinces and Ontario were hard hit.

The Canadian-U. S. trade treaty of last year, with its quota of 155,000 head admitted to the States at half the regular duty, put new life into the business, but has not yet restored the trade to maximum possibilities. To do this a larger quota without duty is essential, J. S. McLean, president of Canada Packers, points out in the annual report of his company.

In any coming trade negotiations with United States, according to Mr. McLean:

> "Canada undoubtedly will be asked to give certain advantages to the United States. In return she will expect to receive other advantages. One concession Canada should firmly stand for is in connection with cattle. If the United States insists on a quota (as they probably will) she should seek to enlarge that quota from 155,000 to 200,000 cattle per year. This number the United States can certainly concede as it is only about 1% of the total number of cattle marketed in United States each year.
>
> "But more important still is the rate of duty. If the United States is to admit any stated number of cattle, it makes no difference to the American producer whether those cattle pay a two-cent duty or no duty at all. This is the great modification that needs making in the Canadian-American agreement. If Canadian cattle—up to the quota number—were admitted to the United States without duty, this concession would automatically add two cents per lb. (approximately . . $20.00 . . per head) to the value of all the cattle in Canada. And the concession would cost the United States nothing."

No Nationalist Stick

DURING the discussions on the C.I.O. that took place at the Canadian-American Relations Conference in Kingston last week a number of speakers objected strongly to Canadian criticism of the C.I.O. on the ground that it was a foreign organization.

Frank Scott, Professor of Civil Law at McGill University, said "The nationalist stick is being used to beat the labor dog."

So far as The Financial Post has observed, there has been little criticism of the international character of these Canadian labor unions as labor unions. In fact, the only letter received by The Financial Post from its many subscribers in which domination by Canadian unions of outsiders has been protested as a possible menace, came from the secretary-treasurer of a Canadian labor union. Surely no one could cite this as an example of the nationalist stick being used to beat the labor dog!

The Financial Post itself has raised certain points about the C.I.O. and its domicile in a foreign country but these points relate to the C.I.O. not as a labor union movement but as a political force.

Two of the major C.I.O. unions are the United Mine Workers and the International Ladies' Garment Workers Union. These unions have always been international in character and there is no more objection to this international character—and no less objection—than to the international character of the Typographers Union or the Musicians Protective Association, both of which are affiliated with the American Federation of Labor.

But beyond the question of the position of these unions as unions is a much larger and more important question, namely, the political ambitions of John L. Lewis and the small handful of dictators who control the Committee for Industrial Organization on a thoroughly non-democratic basis. The Financial Post is not privy to Mr. Lewis's innermost thoughts but it has observed nothing in his statements or actions inconsistent with the belief generally held in the United States that his ultimate ambition is to become the most potent political force in the United States, either as the democratically elected president of the country or as a dictator. Whether as a Fascist dictator or a Communist dictator or a new style of dictator is beside the point, for Mr. Lewis is a man who is interested only in objectives and not in philosophies. He would as soon lead one type of revolution as another so long as it put him where he wanted to be.

The Financial Post has expressed the opinion, and it reiterates, that in this situation there exists a potential menace of no mean proportion. The spread of the C.I.O. organization in Canada, the establishment of its political cells in factories from coast to coast are not to be regarded lightly in view of the political ambitions of the man who has already made himself the sole dictator of those groups. Those who work for the C.I.O. unions today take their orders from John L. Lewis and will continue to take their orders from him or from whatever bludgeoning ruler succeeds him. And a John L. Lewis who was political dictator of the United States and a political dictator of the C.I.O. cells in Canada would be a menace to democratic freedom and security in this country.

Maritimer Looks at West

A. R. COFFIN, publisher of the Truro, N.S., News, has completed a trip across Canada and has been writing his impressions in his newspaper. He found much to criticize in Western Canada. The Prairie Provinces have been extravagant and have piled up debts excessively; many of the farmers are a spendthrift lot and, having spent their substance in high living, now go begging to their governments; Mr. Aberhart's Social Credit schemes are absurdities, but the premier hangs on to his $10,000 a year salary; Communism is rife in Alberta.

Probably if Mr. Coffin made his trip an annual one he would be less harsh in his criticisms; he would learn more of western problems that explain many western mistakes.

What with droughts and messiahs and grasshoppers and wreckage washed up by the world crisis, western Canada is not looking quite itself these days. It is a good country occupied by aggressive people who have had some peculiarly difficult problems to solve.

Editorials in Brief

The subject of the Alberta Government's proposal to reduce interest rates to bondholders has been brought to the attention of the British House of Commons.

Lord Hartingdon, Under Secretary for the Dominions, stated to the House recently that Malcolm MacDonald, Secretary for the Dominions, had referred to the Canadian Government representations made to him by the Bond and Stockholders' Protective Committee for the United Kingdom.

The question about the Alberta defaults that now seems to be in order is: What is the Dominion Government going to do about it?

• • •

"Salute to Valour," official film of last year's Vimy Pilgrimage, is a simple 30-minute record of the trip taken by 6,000 war veterans and their families last year. Scenes of happy departures at Montreal contrast with those of war years. Views of the four pilgrim boats passing Quebec at sundown and close-ups of the Vimy monument at the unveiling are particularly poignant. The film opens at Canadian theatres soon. Distributed through commercial channels in order to secure the widest possible showing, "Salute to Valour" is not a commercial venture. It was filmed by the Dominion Government and sponsored by the Canadian Legion of the British Empire Service League. All net profits will go to needy veterans and their families.

• • •

"The Financial Post of Toronto has again been indulging in political tea-cup reading. Some years ago it gazed long and intently into Mr. Mackenzie King's hieroglyphical tea-leaves and announced that the Liberal leader was through. Since then Mr. King has fought and won a strenuous election and has gone from strength to strength as a leader in both national and international politics.

"Undaunted by this stubbornness on the part of Mr. King in refusing to fulfill its psychic prediction, The Financial Post has returned to its tea-cup reading." — *Stratford Beacon Herald.*

The Stratford editor is no "universal index and living cyclopaedia." His memory plays him tricks. The Financial Post never announced at any time that Mr. King was through.

Sayings of the Week

"Let us remember that humanity is not society; humanity is just plain folk." — *Franklin D. Roosevelt.*

• • •

"The United States is under a constitution but the constitution is what the judges say it is."—*Charles E. Hughes.*

• • •

"We always accept the right of defense but we should never subscribe to the right of retaliation."—*Anthony Eden.*

• • •

"Enlightened management wants to function harmoniously with labor but it takes two to shake hands."—*Colby Chester.*

• • •

"Labor is the most difficult hurdle you've got; greater than monetary or other problems. You'd better recognize labor."—*Sir Josiah Stamp.*

• • •

"In such a world as that in which we are living we cannot take the position that the use of force is never justifiable."—*Bishop Manning.*

• • •

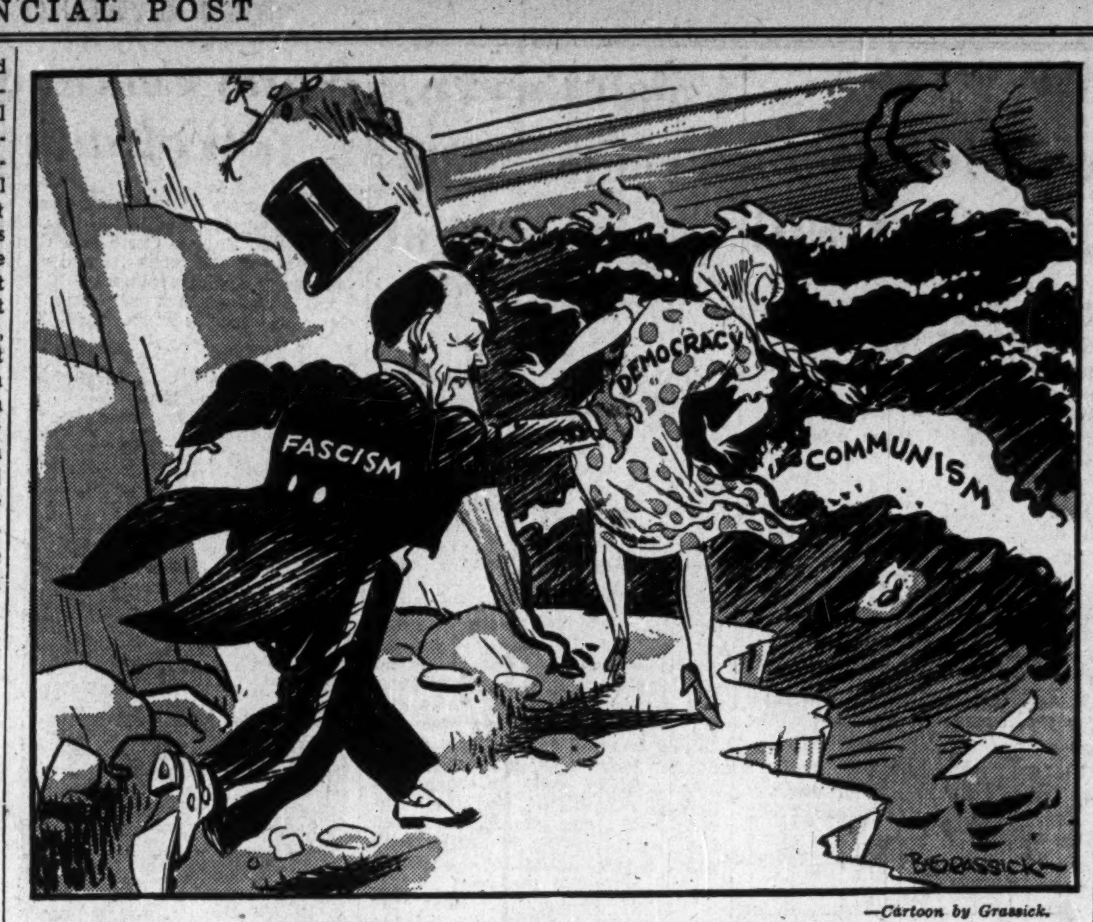
"The new conception of national honor accords more glory to the nation which does not spend blood to expand or average but makes sacrifices for peace."—*Leon Blum.*

• • •

"Modern science is giving mankind for the first time in all history a method of securing more products for the individual without forcing the individual to steal them from someone else." —*Roger Babson.*

• • •

"It seems safe to predict that Albertans will soon be enjoying all they want of that vast wealth—real and cultural—which is their deserved inheritance." — *G. F. Powell, Douglas emissary to Alberta.*



BETWEEN THE DEVIL AND THE DEEP BLUE SEA —*Cartoon by Grassick.*

How Hot Is "Hot Money"? . .

Wall Street Journal

Delegates to the conference on Canadian-American affairs held at Queen's University, Kingston, Ont., were exercised over the movement of American money into Canada, estimated to be at the rate of $1,000,000 a day. This money was regarded as "hot," and apprehensions were expressed of disturbance to Canadian finances in the event of its withdrawal. In the course of the discussion, it was stated that American invested capital in Canada totalled $4,000,000,000, which topped by one-third the Canadian investments of Great Britain, being besides double what it was in 1920. American owned or controlled concerns produced 82% of the motors, 68% of electrical products, 66% of rubber goods and 56% of soap and perfumery. Professor Taylor remarked that Canada's attempt to protect her manufacturers by protective tariffs had built up American branch plants.

The conference chairman asked: "Have we substituted one kind of dependence upon American economy for another? For imported American goods have we substituted the internal investment of American capital in Canada?"

So far as "hot" money is concerned, the whole question turns on its temperature, and on the causes determining its change of residence. There is nothing in the Canadian-American situation in this respect really similar to the European situation, and, while we lack an efficient thermometer, it is hardly likely that this particular money is any more than slightly warm, or that it is likely to create disturbance by a sudden departure. As for the more permanent investments of American capital, it is hard to see much hurt to Canada in its lodgment. Considering the benefit to the Dominion from the employment that it affords to Canadian workers, the annual bill for interest and dividends cannot be a very serious burden.

It is not so many years since international investments were generally regarded as a good thing all around. Have we reached such a pitch of economic nationalism as now to regard them as a form of economic slavery?

New Books

The Imperial Thames

THE SAID NOBLE RIVER. By Alan Bell. Published by Port of London Authority, London. Price 2s. 6d.

This volume was prepared by the Port of London Authority to commemorate the Coronation of King George VI. It tells the story of the Thames over 2,000 years of its recorded life of commerce and romance. Mr. Bell shows that the Thames presented a busy scene in the time of Julius Caesar, when ships of 200-tons burden plied on its waters and carried on a cross-channel trade.

The intricate system of harbor facilities that now makes London one of the great ports of the world has been under the control of the Port of London Authority since 1909. The volume concludes with information as to the present facilities of the port and the method of their management.

For Suburbanites

IF YOU'RE GOING TO LIVE IN THE COUNTRY. By Thomas H. Ormsbee and Richmond Huntley. Published by the Oxford University Press, Toronto. Price $2.50.

Almost every city person cherishes the hope that some day he will have a home in the country. Today with good roads and the automobile more people are actually realizing that hope. For those that are still considering the move here is a practical work that may well be consulted. It is written from a rich experience in home questing and good-naturedly admits many mistakes. Throughout the authors have adopted the city man's point of view and dealt with his particular problems which, they point out, "are not problems at all to his country-bred neighbors. The latter assume that any adult with a grain of common sense must know all about such things as rotten sills, damp cellars, hornets nests in the attic, frozen pipes in winter and wells that fail in dry seasons."

The book is divided up into 20 chapters that run the whole gamut of problems including how to buy, selecting a location, remodelling, the provision of water, electric and sewer services that go automatically with city locations, right down to the choosing of pets and livestock.

The book is generously illustrated with actual photographs, mostly of exterior and interior shots of country cottages and homes.

Housser's Views

F. B. HOUSSER. Views and Reviews of Economics and Finance. Reprinted posthumously from his writings. Published by the Macmillan Co. of Canada, Toronto. Price $2.75.

Fred Housser was, for a number of years, financial editor of the Toronto Star. Nearly every day he wrote for his page, a semi-editorial article on money or economics, taking as his subject some current news event. The subject itself was seldom more than a peg on which to hang his own interpretations of the world's money puzzles.

Mr. Housser had a gift of lucidity when setting down facts. But once he had set them down, he made them serve his continuing purpose of demonstrating that the banking system is anti-social (though individual bankers may be good fellows); that our money system is antiquated and renders less than justice to the common man; and that something ought to be done about it.

Mr. Housser never quite made up his mind what ought to be done about it. He was willing to quote anyone who felt as he did. Professor Frederic Soddy, Major Douglas and William Aberhart, Alberta's monetary Father Divine, all brought grist to his mill.

In these days, when even such distinguished economists as Sir Josiah Stamp speak of the modicum of truth inherent in Major Douglas's critiques of the money system, it is hard to know who is a monetary crank and who is not. Mr. Housser himself was probably not a crank; but it would be safe to say that the bulk of his following was made up of monetary cranks. There are enough of them to provide a substantial market for this volume.

It has little substantial value for the earnest student.

Other People's Views . . . .

Ill-timed Attack?

Halifax Herald

The Halifax Herald is no political supporter of Mr. Mackenzie King, but this newspaper does believe in decency and fairness; and when it comes to a choice between the Prime Minister of this country and the politician who has just "broken" with him, we will take Mr. King every time. And this attack, launched by Mr. Hepburn at the moment when the Prime Minister of Canada is out of this country on important Empire affairs, is as ill-timed as it is ungracious.

Fascism in Canada

Regina Leader-Post

Is there a Fascist streak showing itself through Mr. Duplessis and Mr. Hepburn with the hope to impress itself upon the people of those two provinces? Such a charge has been made, but western Canadians will hope that it is not soundly based. The world needs the liberal mind today as much as it needs anything else. Mr. Hepburn, unfortunately, seems to be getting into the other camp.

Too Many Governments

Truro News

Nine provincial governments are quite unnecessary. Seven of these are governing from less than one hundred thousand to less than a million people each. A sane start for curtailment of local governments would be the union of the three Maritime Provinces under one local parliament, the uniting of Manitoba and Saskatchewan under a second government, and Alberta, British Columbia and the Yukon under a third. The membership could be cut to one quarter of the present and thus a beginning to an end would be accomplished.

Such a scheme would find large majority favor in all classes excepting the members of the existent governments. For instance, in the Maritimes each of the three premiers would feel he would be crowded out of a job; and many of the members would be losing their indemnity and so in all the other sections.

Any sound readjustment of governments can probably be accomplished only by an awakening of the electorate to follow some Moses who may arise with sufficent courage and means to lead them out of the extravagances of the present governmentally overmanned condition.

B. C. Election Results

Winnipeg Free Press

There is no doubt that Hon. John Hart, as provincial treasurer, has been a strength to the Government and helped to commend it to the people. The Vancouver Province, which has been no friend of the Government, recently referred with approval to Mr. Hart's record. It told in detail of the "sad mess" in which he had found the finances of British Columbia when the Conservatives went out four years ago, and it said:

"All this Mr. Hart cleared up, and it is to his credit that he did it.

"All this is creditable finance, and Mr. Hart would be more than human if he refrained from calling attention to it."

The Conservatives, after four years in the wilderness—with no members at all in the Legislature—have come back as the chief opposition group. They could not have expected more than this as the campaign progressed. They will have eight members under the leadership of Dr. Frank Patterson, a new man to public life. He has chiefly advocated a careful financial administration, the reduction of expenditure, reduction of the debt and refunding of the debt at lower interest rates.

The Conservative group will have the quite important responsibility of keeping check on the Government's expenditure and policies, the other elements of the opposition being less interested in efficient, economical administration than in the advancement of specific policies on which they build high hopes.

Post-Scripts

Canada Tomorrow

LAST week Professor Griffith Taylor expressed the opinion that the great metropolis of the future in Canada will be located somewhere "out Regina or Brandon way." But we advise no one to buy city lots in either of those two cities on the strength of his forecast. Professor Taylor is a geographer and that qualifies what he says.

The geographer is interested in studying a world that is 500 millions of years old. The fact that 20,000 years ago most of Canada was covered by a huge sea is to him a contemporary fact as modern as the birth notices in yesterday's newspapers.

So when Professor Taylor speaks of the cities of the future, he is looking a long way ahead.

For instance, when he said that Alberta's fuel resources will some day provide heat and energy for a great civilization, he added that he was speaking of a time that may be 300 years away.

"Unicameral" Legislature

THE Evening Telegram, Toronto, has an editorial on Nebraska's "unicameral" legislature. It refers to Nebraska's experiment with the county council or non-party type of government as distinct from the familiar two-party—or government vs. opposition—type of assembly.

A reader writes us, "You could make the Telegram's face red by pointing out the meaning of the word 'unicameral'."

But we do not desire to make the Telegram's face red. The Telegram has merely described the new Nebraska Legislature by the phrase used in hundreds of United States newspapers and magazines. Nebraska calls its new system "unicameral" and so everyone else does.

The word "unicameral" means "having, consisting of, or characterized by one legislative chamber." Most Canadian legislatures are unicameral. That is to say, they have only one chamber instead of two, as at Ottawa and Westminster.

It so happens that the Nebraska Legislature is actually unicameral. The House of Assembly and Senate have been merged into one. But at the same time parties have been abolished. Scores of public speakers and editorial writers, who ought to know better, have jumped to the conclusion that the word "unicameral" applied to the non-party phase of Nebraska's government rather than to its adoption of a single chamber.

As Others See Us . . . .

Uncompromisingly Frank

Quebec Chronicle-Telegraph

In an uncompromisingly frank but fairly reasoned article, featured in the current issue of The Financial Post, Norman A. White deplores that "although Canada has entered the fifth year of recovery, the outlook for her largest business and financial enterprise, the business of government — Federal, Provincial and Municipal—remains uncertain and obscure."

And as evidence of the supreme importance of this situation to industry, to the taxpayer and to the investor, the fact is pointed to that there are no fewer than 27,000 tax-paying bodies in this country of small population, with a total combined funded indebtedness of $7,391,000,000. And the gravity of the situation is reflected in the further fact that the position of the investor in Government bonds is not as secure today as it was in 1929—so much is this so that Mr. White foresees as a possiblty in another five years that corporation bonds may be found the more stable securities.

In The Mail

(Not over 200 words, please)

Communist Propaganda

Editor, The Financial Post:

Will you permit me to thank you most sincerely for your clear and unequivocal stand in connection with the emotionalized campaign to obtain Canadian sympathy for Communists in Spain. Your paper is, I believe, about the only one with sufficient common sense to recognize [illegible] campaign for what it really is, with courage enough to denounce it in unmistakable terms. Please believe that I personally, from the casual study of events in that unhappy country which circumstances have permitted me to make, am most heartily of your views as given more particularly in the article "Rebels Against Rebels" in the June 12 issue, and as expressed in "The Nation's Business" column some time ago.

It does not seem that one can take too definite a stand in saying that all the highly dramatized publicity about the dangers to democracy, and so forth, is but another example, and a very barefaced one, of hypocritical Communist propaganda. To suggest such a thing, however, means that one is immediately branded as Fascist, as it would seem that to the illogical Communist mentality whosoever is not blindly Stalinite must ipso facto be a disciple of Mussolini or of Hitler.

I, too, have found it necessary to attack these subversive activities and take the liberty of enclosing a clipping of a letter that appeared over my name in the Montreal Gazette. A correspondent writing later on this same subject brought to light from his personal knowledge that the oratorical and much-photographed Dr. Norman Bethune is an avowed Communist. Now that he has returned from Spain and intends to tour the country for more funds, I suppose we may expect another avalanche of sanctimonious blather.

Why our conservative press generally gives so much publicity to such highly colored propaganda emanating from such questionable sources, is hard to understand—and when I find a journal with The Post's influence placing the facts honestly and clearly before its readers, you may believe that my estimation of its merits has risen immeasurably.

Thank you, also, for your informed articles on the C. I. O. in Canada.

JNO. R. LAROCQUE,
Montreal.

U. S. Gold Policy

Editor, The Financial Post.

In your article headed, "$35 Gold Safe for Present, etc." from your correspondent in London, the statement is made:

"London has no desire to ignore the very real contribution to Empire recovery that the United States is making by its gold-buying policy."

I beg to state that this so-called gold buying policy of the United States, far from being a contribution to Empire recovery, was, on the other hand, distinctly the opposite and was designed to assist American exports at the expense of Great Britain and this to a very great extent within the British Empire.

Their repudiation of the gold value of their dollar was misnamed "raising the price of gold" for the purpose of "raising commodity prices." It was already established by the British experience that it would do nothing of the kind when practically all the rest of the world was off the gold standard. It was not devaluing U.S. currency that raised commodity prices except to a very minor degree perhaps.

I do not think we in Canada are contributing to world recovery by unwittingly repeating American gross misstatements of facts and playing up to their complete failure to live up to their obligations as the people who, through their delay in entering the Great War, accumulated all the movable wealth of the world and became the leading creditor nation.

R. P. ROBERTS,
Vancouver.

Communism and Democracy . . .

Saint John Telegraph-Journal

Dr. P. J. Nicholson, of St. Francis Xavier University, called upon the alumni of that seat of learning to counteract the "Godless teachings and sinister forces of Communism."

Communism has adopted camouflage. It has recently been attempting to lull democracy into the belief that its first autocratic phase is past. It wants democracy to think that, except for state ownership and control of the means of production, Communism has become a free, liberal and popular system of government. Last year a new constitution for Russia was adopted. A casual reading of it creates the impression of a genuine democratic form. The one important catch in it is that the Communist party is assured of unchallenged power by the simple device of outlawing all other associations. This leaves things precisely as they were except for a clever pretense of secret balloting.

Another misleading feature of Communism today is that, in the political affairs of Europe, Russia happens to be ranged alongside the democratic powers in their resistance to the aggressive reaction of Fascism and Nazi-ism. It happens to be convenient for Communism so to align itself, but some naive observers appear actually to believe Communism's protestations of friendship toward democracy as such. The ideological struggle is triangular. Both Communism and Fascism know that finally to triumph they must destroy democracy. Meanwhile, however, both are deferring any open attempt to do so while they try to use democracy to crush one another. Were either to succeed in this, it would next proceed to wipe out democracy. Indeed, if democracy were to lend itself to their purposes, it would already be doomed. At the present moment the Fascist and Nazi peril appears to be the chief danger, but it will never do to forget that Communism is also a danger and perhaps an even greater one.

Stop Me If You've Heard This One . .

"Dad, what is executive ability?"

"Executive ability, my boy, is the art of getting credit for all the hard work that others do."

Week in Business

Business Pace Slower But Gains Are Held

New Purchasing Power from Recent Wage Increases Now Being Felt — General Position Maintained

Canadian business is just concluding probably the best second quarter since 1929. Because that quarter has failed to register the same rate of gain as occurred almost steadily from the spring of last year, however, there will be little celebration. But the fact that business recovery is being maintained in the face of many adverse conditions and no spectacular new developments speaks well for the stability of the present situation.

* * * *

Stock market conditions have been unfavorable right through the second quarter. Crop news while satisfactory for eastern Canada has been less favorable than anticipated from the prairies. Weather on the whole has retarded seasonal sales of summer wear and beverages and has probably checked tourist and holiday trade. There has been a much smaller than normal volume of wheat moved in the first half of this year.

* * * *

Notwithstanding these obstacles, however, general business throughout Canada continued to gain up to the end of May and apparently is holding its own in June. Exports and imports have entered new high ground. Carloadings continue to show gains over the corresponding week a year ago and this increase is not in big bulk commodities like coal and wheat which have actually declined but largely in general merchandise.

* * * *

Explanation traces largely to the widespread wage increases of the past six months. These have already added many extra millions to the pay envelopes of the workers in nearly every Canadian industry. This extra money is now passing through the retail trade and is also being reflected in the best trade figures since 1929. Provided industry can continue to support these higher rates there is being developed a broad foundation of purchasing power to which the addition this summer of a fair wheat crop and a good tourist invasion should generate highly satisfactory fall and winter business.

Business Indicators

Financial Post Index of business conditions topped 120 in May. This is highest point since beginning of recovery movement four years ago. D. B. S. weekly index for week two points above 1936.

Railway improvement continues over last year with carloading and gross earnings for second week in June both showing gains. Cumulative benefit for year to date has been substantial

Construction—Further May figures and June estimates indicate that no boom may be expected in this industry, though improvement over last year's moderate showing continues.

Newsprint production continues to gain ground and exports so far justify expansion. All high cumulative output figures to date 25% above a year ago.

Current trend in Canadian business is shown by The Financial Post's index of business activity, with new figures for the week marked▴.

	Latest		Jan. 1 to date	
	1937	1936	1937	1936
Transportation—				
Car loadings (June 12)	▴47,917	45,920	1,090,164	1,033,056
C.N.R. gross earn. (June 14)	$ ▴3,546,604	$ 3,337,186	$ 86,183,448	$ 77,443,005
C.P.R. gross earn. (June 14)	$ ▴2,607,000	$ 2,477,000	$ 60,498,000	$ 55,948,000
Business Conditions—				
Weekly index D.B.S. (June 12)	▴107.7	105.4	......	......
MONTHLY DATA				
Business Conditions—				
Financial Post index (May)	▴120.2	108.2	......	......
Transportation—				
C.P.R. net revenue (Apr.)	$ 1,848,410	$ 1,337,457	$ 5,490,823	$ 4,165,161
C.N.R. net revenue (Apr.)	$ 2,249,015	$ 1,455,306	$ 4,566,511	$ 1,532,047
Iron and Steel (April)—				
Pig iron production (tons)	68,138	54,045	267,519	226,141
Steel ingots and castings prod. (tons)	121,426	107,220	473,590	401,902
Automobiles (Number)—				
Passenger Cars:				
Domestic sales* (Apr.)	16,070	17,380	46,771	35,928
Factory output (Apr.)	12,927	20,247	61,664	56,849
Trucks and Buses:				
Domestic sales * (Apr.)	3,839	3,465	10,505	7,702
Factory output (Apr.)	4,154	4,704	19,608	12,693
Exports (Apr.)	5,753	3,740	22,603	22,558
Construction—				
Building permits (May)	$ ▴5,399,489	$ 4,836,358	$ 21,967,654	$ 13,666,195
Contracts awarded (May)	$ 24,170,500	$ 14,962,800	$ 80,006,200	$ 56,905,100
Newsprint (tons)—				
Production (May)	▴309,232	267,067	1,471,912	1,219,212
Exports, tons (Apr.)	252,790	192,893	1,030,212	818,418
Sugar (lb.)—				
Melting & sales‡ (raw)	91,836,204	92,560,733	219,613,790	207,081,288
Manufactured‡	87,559,375	86,330,367	209,735,216	199,940,805
Flour (bbls.)—				
Production (Apr.)	1,051,564	1,009,464	4,158,432	4,182,210
Wheat flour exports (May)	348,866	448,653	1,686,712	1,861,001
Trade—				
Retail trade (index no. of sales) (April)	78.3	70.3	......	......
Imports (April)	$ 56,891,072	$ 42,217,004	$ 228,444,561	$ 177,085,771
Exports (April)	$ 66,907,258	$ 57,964,176	$ 315,373,497	$ 260,068,149
Wheat exports (bus.) (May)	8,026,507	27,316,983	31,543,967	68,834,021
Employment D.B.S. Index (May 1)—				
All industries	106.3	99.5	......	......
Manufacturing	113.8	102.7	......	......
Electric Power Output (Apr.)—				
Total monthly m.k.h.†	2,322,884	2,164,628	9,199,627	8,329,743
Other Industrial Indices—				
Lumbering:				
Plank & board exports M. bd. ft. (May)	▴152,758	136,894	680,443	554,496
Boot & shoe prod., pr. (Apr.)	2,219,297	2,065,587	8,017,938	7,525,384
Crude petrol, imp. gal. (Apr.)	56,307,660	54,142,896	213,849,975	220,312,360
Cotton imports, lb. (Mar.)	15,462,512	13,558,113	42,770,417	45,221,720
Raw rubber imp., lb. (Apr.)	3,009,070	2,416,012	15,363,473	14,662,625
Coal imports, tons (Apr.)	▴916,062	491,146	2,600,538	1,980,926
Cigarette cons. (May) No.†	▴375,520	300,089	2,427,117	1,966,407
Finance—				
Bank debits (Apr.)†	$ 3,376,201	$ 2,773,756	$ 12,525,327	$ 11,132,084
Bond sales (May)	$ 159,107,054	$ 50,493,782	$ 594,589,785	$ 566,454,287
Life insurance (Apr.)	$ 32,919,000	$ 28,876,000	$ 123,220,000	$ 121,609,000
Automobile Financing (Apr.)—				
Used cars	$ 4,035,932	$ 2,897,812	$ 9,724,776	$ 6,644,986
New cars	$ 5,006,159	$ 4,267,363	$ 12,099,391	$ 8,615,890

*D.B.S. All-Canada figure comprising over 90% of the Canadian total.
†000's omitted. ‡For 4 weeks to May 22.

C. P. R. Head Expects Liners Will Be Built

MONTREAL.—If negotiations commenced at the Imperial Conference in London for financial guarantees are carried to successful conclusion the Canadian-Australasian Line, in which the C.P.R. has a half-interest will construct two new liners for service between Vancouver, Australia and New Zealand.

Before leaving England Sir Edward Beatty, president of the Canadian Pacific, announced that "substantial progress has been made toward the conclusion of agreements for improved steamship service between Canada, Australia and New Zealand."

"The very frank discussions which have taken place between the officials of the United Kingdom and representatives of the Dominion Governments interested have resulted," he said, "in the principles of agreements between the company and the governments being given form, although not final in all respects.

Not Entirely Certain

"I cannot, of course, speak with absolute certainty as to the final results, but the negotiations have advanced so far I am hopeful that an agreement can be submitted to the governments concerned and the board of directors of the companies concerned within the next few weeks.

"In the meantime plans and specifications are being put into final form and tenders will be invited from the principal shipbuilding firms."

Present plans call for two liners of 22,000 tons, with a speed of 22 knots, to be placed in service by the winter of 1939-40.

Corporation Investments for Income

Our current offerings include securities of well-established public utility and industrial companies yielding 5% and higher.

We shall be glad to submit suggestions and information on request.

Royal Securities Corporation
Limited
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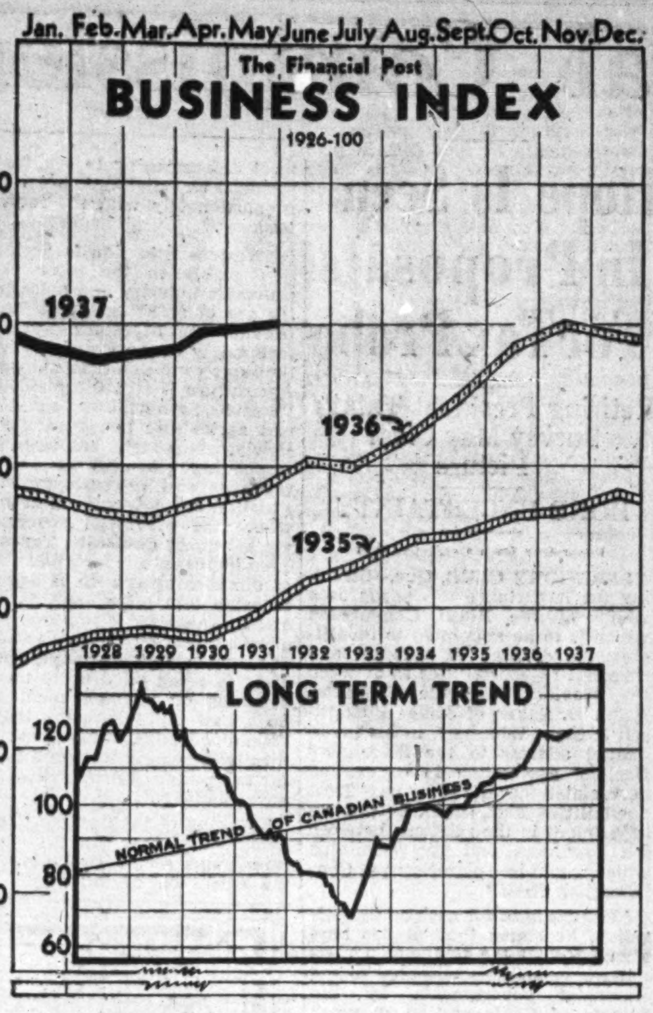

BUSINESS GAINS CONTINUE

While weakness in the speculative position raised a question as to the continuance of the strong productive situation, preliminary computation of the business index indicates that a slight gain was recorded in May over the preceding month.

Major Canadian Economic Factors

		May, 1937	May, 1936	April, 1937	Incr. or Decr. May, 1937-1936
Financial Post business index		120.2	108.2	119.1	+11.1
Wholesale prices		85.1	71.9	86.1	+18.4
Common stock prices		132.2	112.8	136.2	+17.2
Inverted index of Dominion bond yields		140.8	145.3	136.6	—3.1
Bank deposits		122.5	113.7	120.0	+7.7
Mineral production:					
Copper exports	cwt.	350,004	419,190	232,732	—16.5
Nickel exports	cwt.	217,522	130,893	131,533	+66.4
Zinc exports	cwt.	342,249	338,290	128,509	+1.2
Gold shipments	fine oz.	328,879	273,098	331,857	+18.6
Silver shipments	fine oz.	1,589,689	1,449,995	1,094,394	+9.6
Asbestos exports	tons	22,163	10,522	11,529	+110.6
Manufacturing production:					
Cattle slaughterings	No.	149,515	136,916	148,982	+9.2
Sugar manufactured	lb.	87,559,375	86,330,367	40,055,445	+1.4
Creamery butter production	lb.	24,444,582	25,171,449	15,047,206	—2.9
Factory cheese production	lb.	11,259,643	9,335,986	2,373,588	+20.6
Newsprint production	tons	309,232	267,067	298,347	+15.8
Woodpulp exports	cwt.	1,589,614	1,330,177	1,211,357	+19.5
Exports of planks and boards	ft.	152,758,000	136,894,000	101,079,000	+11.6
Shingles exported	squares	208,076	198,031	122,929	+5.1
Pig iron production	tons	78,147	58,832	68,138	+32.8
Automobile production	No.	23,458	20,006	17,081	+17.3
Construction: Contracts awarded	$	24,170,500	14,962,800	24,426,600	+61.5
Building permits	$	5,399,489	4,836,358	6,098,036	+11.6
Carloadings	No.	210,429	190,068	207,618	+10.7
Exports	$	101,695,482	84,515,466	66,907,258	+20.3

Background of Business

Store Clerks' Earnings

Between 6 and 7% of his sales is the average salary for grocery store clerks, in the opinion of Canadian Grocer. The average of such salesmen, it is stated, is about $300 of merchandise a week for which a salary of $20 is paid. Because of the larger profit on some other lines of merchandise such sales would entitle a clerk to higher wages. In the jewellery business $25 per week would be considered fair wages for selling $300 worth of merchandise. In hardware 9% of gross sales is considered fair wages and the same with dry goods or ladies' wear.

* * *

Hardware Still Higher

Most lines of Canadian hardware continue to be revised upward in price, according to Hardware and Metal of Toronto. All sorts of rope and twine, screening wire, sheet metals and plumbing supplies have been increased in recent weeks. Sheet metal, basic material for metal roofing, sidings, ceilings and fireproof doors is still very scarce with mills behind in delivery. Paint raw materials break the monotony of most universally higher quotations, cuts being announced in June. White lead and turpentine are down but linseed oil is reported holding fairly well.

Demand for all paint and varnish products is very brisk, comments Hardware and Metal, and hardware business generally has shown excellent expansion. There is some fear yet of still higher prices in wholesale hardware circles where steps are now being taken to rebuild inventories depleted by one of the best spring season sales since 1929.

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Says Recovery Lacks Stability

Head of International Labor Bureau Issues Warning

Estimating the extent of world recovery during the past year, Harold Butler, director of the International Labor Conference which opened at Geneva this month states that there is no doubt that a large measure of improvement has taken place but no one yet feels sure that stability or equilibrium has really been attained. At most, he says, what has been achieved up to date is to set the economic machine again in motion after a serious breakdown.

As proof of his contention Mr. Butler cites statistics showing production actually ahead of the 1929 level in most Scandinavian countries, Germany, Great Britain, Chile, Greece, Russia, Japan and Hungary. He reports marked improvement in Canada and the United States and some improvement in Central Europe and Belgium. Statistics both of employment and unemployment, he says, tell the same story with a few countries such as Great Britain, Germany, Japan and Sweden reporting higher employment than during the peak of 1929. On the whole, however, he argues, unemployment has not declined to the extent which the recovery of production might be expected to indicate.

Many Trade Barriers

When Mr. Butler comes to the subject of international trade, however, he finds statistics not quite so palatable or encouraging. The curve, he says, has crept up a little since last year, but the improvement was hardly perceptible until the last month of 1936. The estimated volume of international exchanges and goods remained from 10% to 15% less than in 1929. After admitting some progress in monetary agreements and reduction of trade barriers Mr. Butler nevertheless utters a warning against overestimating the solidity of recovery so far accomplished. He also points out that the growth of armaments has been responsible for a good deal of recent employment, stating that: "Armament must, at any time represent some deduction from the national well-being. When pushed to extravagant heights they inevitably involve an increasing sacrifice of the standards of living to the standards of armament.

Farm Surplus Problem

As yet only a beginning has been made in stabilizing currencies, Mr. Butler warns, and in reducing trade barriers, while the solution of unemployment problems is only partial and the fundamental difficulties of the agricultural situation have not been eliminated.

The only solution of the agricultural industry, in his opinion, lies not in the restricted production of wheat, sugar, butter and such staple articles but in raising standards of consumption to the necessary levels.

Commodities

Marked strength in Canadian cattle and wheat prices reflect conditions affecting these commodities but the general price structure remains steady with silk and rubber showing slightly firmer tendencies. Cattle quotations based on Toronto market levels have reached the highest point recorded in some months and the advance has carried through to consumer's prices. Seasonal influences are believed responsible rather than any threatened shortage of cattle supplies in Canada.

The general index of Canadian commodities shows practically no change in spite of strength displayed this week by individual commodities.

Comparative figures follow:

PRICE RANGE

	Latest week	Previous week	Same week last yr.
Cattle	$10.00	$9.25	$5.50
Hogs	9.75	9.75	9.60
Copper, lb.	.14	.14	.09½
Cotton, lb.	.1244	.1248	.1232
Rubber, lb.	.1960	.1875	.1588
Sugar, raw, lb.	.0345	.0340	.0376
Silk, lb.	2.03	1.99	1.59
Wheat Man. (bu.)	1.25¼	1.17⅝	.83⅝
Coffee, lb.	.09⅜	.09⅜	.07
Hides	.14½	.14¾	.11
Weekly Indices			
N. Y. Annalist	104.9	141.0	120.8
Fishers'	91.9	92.0	82.5
N. Y. Journal of Comm.	89.9	89.5	80.4
Crumps (Brit.)	82.3	83.0	68.2
U. S. Labor	87.4	87.4	78.4
Canada (D.B.S.)	84.1	84.4	72.2

Monthly Indices

Canada (D.B.S.)	Latest month	Prev. month	Same last year
Retail (May)	82.8	82.2	80.0
W'sale (May)	85.1	86.1	71.9
United States (Apr.)	144.4	143.5	123.8
Gt. Brit. (Apr.)	108.9	107.3	91.9

Note: The base of indices is that 1926 equals 100. The British index is Board of Trade converted to 1930 base. U. S. is Annalist 1913 base.

Base of price quotations is as follows: Cattle—Steers, good, over 1,050 lb., top price, Toronto: Copper-electrolytic, New York: Silk—Japanese, 13-15 New York: Sugar—96 degrees centrifugal c/f New York: Wheat—No. 1 Man. North. Ft. W.-Pt. A. Basis: Hides—No. 1 packer light native cows: Hogs—select bacons, Toronto.

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C.P.R. Promotes A. B. Smith

Arthur B. Smith, who joined the C. P. R. as an office boy 31 years ago, is to become general superintendent of sleeping, dining, parlor car and news services of the company's eastern lines, on July 1. His headquarters will be at Toronto. He was at one time secretary to W. R. Baker, assistant to the president of the C. P. R.

LARES and PENATES

Household gods of the ancient Romans

Lares—gods of Protection. So old that their origin is shrouded in mystery. They were first, gods of the cultivated fields, then of the home, and also guardians of the city as a whole.

Penates—gods of Plenty, equally old. Supposed to preside over the storeroom, supplying the household with its needs. The city, conceived as a greater household, also had its Penates.

Sketched from bronze figurines of Lares and Penates at Metropolitan Museum of Art; New York City

IN the days of ancient Rome every household cherished a little set of family gods on which the welfare of the family was supposed to depend.

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Investment Dealers Back Royal Commission

May Appoint A Committee To Aid Work

New President Announces Plan to Co-operate in Survey

PROBLEMS FACED

From Our Own Correspondent

SEIGNIORY CLUB, QUE.—Members of the Investment Dealers Association of Canada, in convention here, unanimously elected K. M. Pringle, director of the Dominion Securities Corp., Toronto, as their president for the ensuing year. He succeeds R. D. Baker, of James Richardson & Sons, Winnipeg.

A "Torontonian" by birth, Mr. Pringle has been associated with the investment business from the very time that he left school 23 years ago, and most of this period has been spent in various capacities with the investment firm of which he is now a director.

After receiving a secondary school education at the Toronto Model school and the University of Toronto Schools, he joined the staff of the Central Canada Loan and Savings Co. in 1914 in a clerical capacity. It was not long, however, before he was looking for a wider field and in 1916 he joined the staff of the Dominion Securities Corp. This was a period of rapid expansion for the investment business and Mr. Pringle took advantage of his opportunities.

Post War Record

As with most young men of his generation, however, there came a gap in his business career when he served overseas with the R.N.A.S. during the war. On his return to Canada following the Armistice he rejoined the staff of Dominion Securities Corp. and participated in the Victory Loan campaigns of the immediate post-war years.

After serving as a salesman in the western Ontario area and in various other capacities, so that he had an excellent knowledge of all aspects of the bond business, he was appointed sales manager and, in 1928, was elected a director of the firm.

Mr. Pringle's lively appreciation of the problems of the association is indicated by the report which he made to the convention as vice-president in charge of the Central District, in which capacity he has served during the past year.

Investment Problems

Referring to the problems which were listed by the Investment Bankers Association of America at its organization meeting in 1912, Mr. Pringle pointed out the striking similarity between the problems of the American and Canadian associations and that many of these problems still exist in one form or another. The list follows:

(1) Securing greater uniformity in laws governing the issuance of municipal securities.

(2) Standardization of laws creating public service commissions and regulating the issuance of public service securities.

(3) The need for regular and informative reports by corporations.

(4) Standardization of mortgages.

(5) The advantages and disadvantages of listing securities on exchanges.

(6) Problems of distribution, and ways and means of reducing advertising and selling expenses.

(7) Means of making public offerings reliable and more attractive.

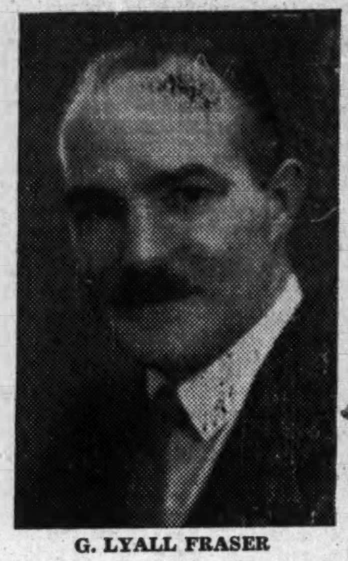
(8) Means of detecting and combating frauds and methods of encouraging the prosecution of criminals creating and selling worthless securities.

Speaking of the Royal Commission which is to be appointed to investigate the financial relations between the Dominion and the provinces, Mr. Pringle stated that the investment dealers welcomed the proposal as "a great constructive step toward securing a settlement of many vexed questions which, over the past few years, have had a very definite bearing on public credit in this country." A working committee, he said, would probably be appointed to assemble information bearing on any matters in the terms of reference of the commission in which members of the association were interested.

Association Elects Chairmen

J. P. CRYSDALE

Of Gairdner & Co., Toronto, new chairman of the I. D. A., central district.



G. LYALL FRASER

Of Western City Co., Vancouver, who has been elected chairman of the Pacific district of the I. D. A.

F. M. CORNELL

Of Cornell, Macgillivray Ltd., Halifax, who has been elected chairman of the I. D. A., Maritime district.

D. K. BALDWIN

Of Nesbitt, Thomson & Co., Montreal, chairman of the I. D. A., Quebec district.

W. M. HOUSTON

Of Houston, Willoughby & Co., Regina, chairman for 1937-38 of the I. D. A., western district.

Supervision Is Urged On Public Borrowings

Bank Reports on West Commended by Investment Dealer

From Our Own Correspondent

SEIGNIORY CLUB, QUE.—Paying tribute to the excellent reports of the Bank of Canada on the finances of the three Prairie Provinces, W. M. Houston of Houston, Willoughby & Co., Regina, vice-president in charge of the western district, told the Investment Dealers Association that these "should constitute a guide and compass to provincial finance throughout all of Canada and may well provide an overwhelming argument in favor of some type of borrowing supervision such as obtains in Australia."

Mr. Houston laid particular stress upon the importance of the proposed Royal Commission which is to investigate the division of taxation powers and financial responsibilities as between the Dominion and the provinces.

Municipalities Seek Aid

The cities of western Canada, he said, were pinning their hopes on the findings of the Royal Commission for relief from many of the costly functions and services which they are now expected to provide from revenues obtained from realty taxes.

Maritime Loan Control Planned

From Our Own Correspondent

SEIGNIORY CLUB, QUE.—In his report as chairman of the Maritime district, F. J. Brennan, of Irving, Brennan & Co., vice-president of the Investment Dealers Association, referred to the efforts of the three Maritime Governments to improve municipal administration. Both Nova Scotia and New Brunswick Governments have organized municipal departments which will exercise supervision over municipalities and it is expected that a general betterment of municipal credit will accrue.

Quebec Stand Seen as Sane

From Our Own Correspondent

SEIGNIORY CLUB, QUE.—"So far at least, very few of the changes made by the new Quebec Government have adversely affected the investment business. The new government has shown sound judgment in most of its own legislation and a firm attitude in opposing the unreasonable demands made on it by certain radical members of the House."

In these words W. T. K. Collier, of Collier, Morris and Henderson, Montreal, vice-president in charge of the eastern district summed up the Quebec situation in his report to the Investment Dealers' Association.

"Strange as it may seem to investors and dealers in securities," he said, "it has been very difficult to convince local politicians that it is not possible to reduce interest rates on outstanding municipal debts without damaging and probably destroying their credit standing in the investment field."

Hope Is Seen In Proposals For Tax Probe

Retiring President Thinks Survey May Clear Picture

BOND UNCERTAINTY

From Our Own Correspondent

SEIGNIORY CLUB, Que.—Stressing the importance to Canada as a whole of the Royal Commission which is to be appointed to investigate the division of taxation and financial responsibilities as between the provinces and the Dominion, Ralph D. Baker of James Richardson & Sons, Winnipeg, in his presidential address to the Investment Dealers' Association in convention here, stated that the study has "great possibilities and could permit an adjustment in the relations between the provinces and the Dominion which would be a significant as Confederation itself."

As to the need for such an investigation, he stated that "it has long been felt that the financial powers and responsibilities allocated to the provincial governments by the Fathers of Confederation 70 years ago are fundamentally inadequate and do not fulfill present day social service demands."

Relief is Major Problem

Referring to the continuance of deficits by nine of the 10 senior governments—the Ontario Government was the only one not reporting a relatively substantial increase in funded debt in its last fiscal year—Mr. Baker saw unemployment relief as the major problem facing Canada. A considerable part of the deficits incurred is the result, he pointed out, "of tremendous and largely unavoidable expenditures in connection with unemployment relief. One unfortunate part of these expenditures is that only a small part has resulted in the creation of capital assets, and in many cases where this has occurred, they are likely to be non-self-supporting for some time.

"Some compensation," he pointed out, "can be found in the gradual decrease in unemployment which is indicated in the returns by the Dominion Government. However, it is most disheartening to see that the numbers on relief have not declined proportionately with the revival in business.

Western Situation is Serious

"Probably in the more eastern provinces industry and manufacturing are of sufficient proportions to provide the necessary work. Unfortunately in the Prairie Provinces the same condition does not prevail. Agriculture is still the mainstay of Manitoba, Saskatchewan and Alberta and agriculture is recovering very slowly, which factor results in a corresponding slowness of increased revenues and re-employment. The situation has now arrived at a point where the provincial governments are becoming desperate. Taxes have been increased so much that the law of diminishing returns is beginning to come into effect, and yet more and more money is required to balance budgets on income account as debt, with the accompanying service costs, is being piled up to meet the demands of unemployment relief. So urgent is the situation that it is little wonder that it has become politically expedient to turn a friendly ear to ill-advised proposals of interest reductions."

Speaking of the bond market Mr. Baker stated that "the probable future trend seems confused. With the exception of individual issues affected by special situations, Canadian securities are very susceptible to the influence of the British and United States financial markets, and as a rule have maintained a very similar trend.

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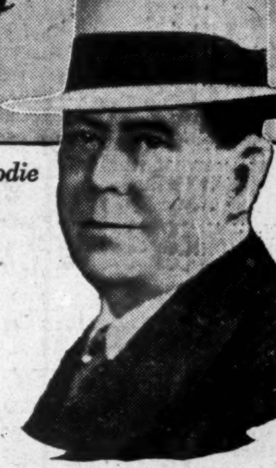

Colonel John Moodie

To MAJOR BOWES,
Radio City, New York City, N.Y.

DEAR MAJOR: As part of your vast audience every Thursday evening, I have been so impressed with your comment on "Safety" that I felt I must commend you on the great work you are doing, not only for your World Famous Amateurs, but for millions of Amateur motorists, whose very lives are in the hands of the Motor Car manufacturers today.

As Canada's original motorist and the second person to own a Motor Car on the American Continent (a Winton-April 1898), I have owned a French Darracq, and English, German and other foreign high priced makes, until the advent of Chrysler to which I switched in 1924. **I have driven Chrysler products ever since in preference to any other make of car in the World irrespective of price** and my reasons for so doing have been strictly from the "Safety" angle first, Advanced Styling and Comfort second, and last and always, Outstanding leadership in an Engineering way in every part of their cars. In regard to the latter, I would like to add that **I have never found it necessary to replace a part in a Chrysler Product.**

On April 6th, I am sailing on the Queen Mary to attend the Coronation of our new King and my choice of this World's Motor Cars will be awaiting me on my arrival in England, a Chrysler Airflow"—a Royal Car for a Royal job". As a matter of fact, during my sojourns every year in England and the Continent, it has been my pleasure to have many of England's great men, including members of the Royal Household, ride in Chryslers, and they have been amazed at the safety, comfort and performance built into the Chrysler Airflow Imperial.

Again allow me to congratulate you on the great work you are so ably doing in the cause of Safety and of Saner Driving.

With best wishes for your continued success.

Yours very truly,
[Sgd.] JOHN MOODIE

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Ford Motor

What has been the recent earnings record of Ford Motor Co. of Canada and is the company likely to maintain the present dividend?

Ford Motor Co. of Canada reported earnings of slightly over $2 a share in 1936, compared with $1.17 a share in 1935. This was effected despite a lower volume of business, due largely to reduction of production costs. The company's earnings record has been somewhat irregular depending to a large extent not only on the market for automobiles, but on the company's changes in models. However, the dividend has been stabilized at least for the present at $1 a share annually, which gives a yield of about 4.4%. The company is carrying out a major expansion programme at Windsor, and there is the possibility that eventually this will result in higher earnings. This year the existing plant has been operating at capacity.

Western Savings & Loan

Can you outline the position of Western Savings & Loan Assoc. from the standpoint of the prospective buyer of their savings certificates?

Western Savings and Loan Assoc., Winnipeg, sells savings certificates on the installment plan. The Association appears to have followed a sound investment policy. Its investments do not include any Alberta bonds and mortgages in that province have had careful selection and supervision resulting in a high ratio of collections. Total assets at Dec. 31, 1936, were $1,139,682 compared with $1,022,732 at June 30, 1936. Government bonds made up over half total assets, being $629,898 at the end of 1936. First mortgage loans, after deducting reserves, totalled $414,040, and other assets included cash of $65,890 and certificate loans of $29,653. There was a surplus of $262,095 in favor of certificate holders at the end of 1936.

Brazilian Common

What is the earnings position for common shares of Brazilian Traction, Light & Power Co. and are they likely to recover from the recent slump in market value?

Brazilian Traction Light and Power Co. showed earnings totalling 89 cents a share for 1936, compared with 74 cents a share in 1935. The company paid 70 cents a share in dividends last year and has already made an initial payment of 50 cents a share in 1937. The company's earnings record has been good, but has been subject to two important adverse influences. They are: 1. Fluctuations in value of Brazilian currency, which has tended to hinder earnings during the depression years; 2. Abrogation of a former rate schedule by the Brazilian Government and establishment of temporary rates for the company's services.

It appears that on the current operating rates the company can make reasonable profits for shareholders provided the Brazilian currency remains at not less than the current level of about 6½ cents for the milreis, the Brazilian money unit. The improvement in the economic conditions of Brazil lead to expectations that the company will be able to maintain its current rate of earnings close to $1 a share, but the investment position of the shares is still one of some uncertainty. The company's pre-depression record of substantial earnings and dividends of $2 a share gives some hope that it may be able to get back to its former earning power.

Sherwin-Williams

Would you be good enough to let me have a report on Sherwin-Williams preferred, which I now have among my investments?

Sherwin-Williams is understood to be experiencing improvement in sales and earning power. Last year the dollar volume of business was 15.7% higher than the previous year, while earnings on the preferred stock amounted to $7.58 a share as against $5.94 a share in 1935. Full dividend payments have been resumed on the preferred stock, while accumulated arrears stand at $14 a share. Financially the company is in a strong position, and while resources would permit it to pay off the dividend arrears, apparently it is the management's policy to conserve working capital for expanding business.

Dominion Coal

I understand that Dominion Coal Co. has called its 5% bonds. Will you please let me know if this is so and the call price?

Dominion Coal has not called for redemption its outstanding 5% bonds, due 1940. While there is not an active market for this issue, the bonds are readily saleable at about 105.

Hinde & Dauch

Kindly give me a report on Hinde & Dauch common shares.

Hinde & Dauch Paper Co. of Canada showed earnings equivalent to $1.32 a share last year, compared with $1.18 a share in 1935. The company is paying a dividend of $1 a share on the stock which is currently selling around $20, so the yield is approximately 5%. The only senior security is a first mortgage loan. This year, it has made a saving in redeeming its 5½% first mortgage bonds by borrowing at 4%. The saving may be calculated at approximately five cents a share.

The company's business has been running at a very high level and although there has been some increase in costs of materials, there is a prospect of another increase in earnings this year. A conservative dividend policy has been pursued. For instance, in 1935, when earnings were running over $1 a share, the company paid dividends of only 50 cents a share. It appears to be comfortably capable of maintaining the current rate of $1 a share. The question of whether extra dividend payments will be made, or whether the rate will be raised, depends on the conservatism in dividend policy as well as further growth of earnings.

W. E. & L. S. Railway

What is the position of bondholders of Windsor, Essex and Lake Shore Railway Assoc.? Is there any prospect of reorganization?

Windsor, Essex & Lake Shore Railway Assoc. is no longer operating and its physical assets have been sold by the trustee. The chief remaining assets of the railway association are $1.1 million of bonds of the city of Windsor, the towns of Essex, Kingsville, Leamington, and the townships of Sandwich West, Sandwich East, Sandwich South, Gosfield North and Gosfield South. Of these municipalities, the city of Windsor has recently been refinanced and provision was made in the plan for settlement of the proportion of the railway's debt owing by the city of Windsor by issue of new Windsor debentures on a par for par basis. It is probable that a similar provision will be made for the settlement of the liability of other municipalities which are in default. The exact apportionment of the liability between the various municipalities has not yet been made and will await completion of the refinancing plans.

Walkers Preferred

Can the present dividend rate on Hiram Walker-Gooderham & Worts preferred be considered reasonably safe and is there any prospect for appreciation in the market value of this stock?

Hiram Walker - Gooderham & Worts has been able to cover the dividend on its preferred stock by a wide margin. The stock is entitled to a cumulative dividend of $1 a share and earnings in the year ended Aug. 31, 1936, were $10.41 a share on the preferred stock. Quarterly reports for the first six months of the current fiscal year indicate a substantial expansion in profits. While payment of dividends is likely to continue without difficulty, the stock is callable at $20 a share and appreciation in market value is therefore definitely limited. Selling within a narrow range around the call price, the stock provides a yield of 5%.

B. A Oil Outlook

Please give me a brief summary of the earnings and outlook for B. A. Oil.

British American Oil Co. showed earnings in 1936 amounting to $1.41 a share, the highest in the company's history., compared with $1.10 a share in 1935.

It should be noted that 95 cents a share of the 1936 earnings came from Canadian operations, so that on this count the company's profits were reduced. This was largely due to an increase in the sales tax in 1936, and higher cost of crude oil. On the other hand, the company showed 46 cents a share of earnings in 1936 from its American producing subsidiary. The company may be able to show some increase in American earnings this year because crude oil prices have recently been raised substantially. The company appears capable of maintaining the current dividend of $1 a share in comfort. However, it has substantial amounts of comparatively short-term bonds to meet in the next few years. The question of whether further increases can be made in the dividends either in the form of regular or "extra" payments, depends to a large extent on maintenance of the present high level of oil prices in the United States. Canadian earnings continue fairly stable.

London Canadian Invest.

Can you let me have some particulars regarding London Canadian Investment Corp. and the chances of a dividend on the preferred stock? Are there any difficulties in the way of a resumption of payments?

London Canadian Investment Corp. has made fair recovery in its financial position and earnings in the last two years, but, as far as the preferred stock is concerned, there is no immediate prospect of a dividend.

There are no restrictions against the payment of a dividend, except that under the Companies Act the company cannot pay a dividend while there is any impairment of capital. At present there is an impairment of capital as far as the common stock is concerned.

The last time the company paid a dividend was in 1931, when $4.18 a share was earned on the preferred. In the following two years there was a deficit as far as the preferred share earnings are concerned. In 1934 earnings totalled 77 cents a share; in 1935, 95 cents a share and in 1936, $2.09 a share.

Dominion Woollens

Can you outline the position of Dominion Woollens & Worsteds 6% bonds? What is the approximate market value of this company's stocks and bonds?

Dominion Woollens is completing an improved year.

Bond interest was earned 1.71 times before depreciation in the year ended June 30, 1936. If allowance for depreciation, however, is deducted there are practically no earnings available to apply toward the company's bonds. Steadily rising prices for wool in the past year have featured the market, particularly with regard to the coarser grades. The company's 6% first mortgage bonds are quoted at approximately 65½ bid. The preferred stock is quoted at about $5.50 a share while the common is around $1 a share. No interest can be paid on Dominion Woollens and Worsteds 6% first mortgage bonds if working capital would be reduced below $1 million by such payment. It is understood that working capital will not have reached this figure by the end of the present fiscal year and this will prevent any payment of interest for that period. After July 1, 1937, interest becomes a fixed charge and the provision whereby no payment can be made unless working capital is over $1 million will no longer be in force. For this reason, the company is required to make a payment of interest on Jan. 1, 1938. The company's general record has not been impressive and results have depended on the price of wool and woollen goods to a considerable extent.

Winnipeg Electric

I am considering purchasing some of the series B bonds of Winnipeg Electric Co. and would like to know that the company is in a position to pay the interest.

The reorganization plan carried out by Winnipeg Electric and its subsidiary companies places the funded debt charges on a lower basis and more in line with earning power. Financial statements issued by the company since that time have shown that the present senior debt charges are not an excessive burden to the company, while the surplus of income is sufficient to cover the interest charges on the Series B income bonds.

The outlook for the company is regarded as more favorable, as with an improvement in business conditions, there should be an increase in demand for the services provided by the company.

Mersey Paper Bonds

I am thinking of buying some of the new Mersey Paper 5% bonds. Please give me your views on the issue, particularly in comparison with Great Lakes Paper 5% bonds.

The new Mersey Paper 5% bonds represent the funding of bank loans, which the company has been able to carry throughout the depression. The company's record is, therefore, favorable in comparison with most newsprint companies, as it only started production at the close of 1929.

As to comparison with Great Lakes Paper bonds, it will be noted first that the Mersey Paper bonds are offered around 99 compared with a somewhat lower price for the Great Lakes issue. The Mersey issue of $4 millions is slightly lower, in proportion to tonnage capacity, than the Great Lakes Paper issue of $6 millions. The Mersey issue, however, can be increased under certain restrictions to a total of $8 millions, while the Great Lakes issue is closed at $6 millions. It is difficult to make a comparison of operating results, because Great Lakes Paper was in receivership during the depression whereas Mersey Paper was able to operate under its own management. The two companies are serving different markets with considerable variation in their seasonal transportation costs. Both companies are now showing earnings substantially in excess of bond interest after depreciation.

Champion Mortgage

What is the relationship between Champion Mortgage Corp. and Champion-Simmons Investment Corp.? Can you outline the present position of Champion Mortgage Corp.?

Champion Mortgage Corp., Edmonton, took over the assets of Champion - Simmons Investment Corp. and assumed the liabilities to holders of investment certificates issued by Champion-Simmons. The consideration given by the Champion Mortgage Corp. was 1,750 of its common shares.

Champion Mortgage Corp. sells installment savings certificates on which the purchaser is required to make regular deposits. It started in Alberta in July, 1932, and now is permitted to transact business in Alberta, British Columbia, Saskatchewan, Nova Scotia and Prince Edward Island. The certificates sold by the Champion Mortgage Corp. require payment in advance of $80 per $1,000 maturity amount annually. The costs of selling the contracts and other charges come out of the early payments, so the cash surrender value accumulates more rapidly during later years. This makes it desirable for the purchaser to continue payment to the end of the contract, which at present runs for ten years. The contracts contain a non-forfeiture provision by which payments may be discontinued for a period of not more than two years and then resumed without losing the amount already deposited. The result of this is to extend the maturity date of the contract by the length of time during which default continues.

The auditor's report on Champion Mortgage Corp. as at the end of 1936 shows the ratio of quick assets to liabilities to certificate holders was over $150 to $100. The contract with the Montreal Trust Co. which holds the securities deposited for the benefit of holders of savings certificates, provides for a legal minimum of $110 for each $100 of savings certificates outstanding. The company's cash, Government and municipal bonds at the end of 1936 were sufficient to liquidate the liability to certificate holders, according to the auditor's certificate. It is understood that a small portion of the company's investments are in Alberta bonds and that less than 1% of its portfolio is mortgages on real estate in that province.

Dominion Coal

Will you please let me have up-to-date information on the preferred stock of Dominon Coal Co.?

Current reports are that Dominon Coal Co.'s production is on a scale greater than a year ago. It is still too early to determine the outcome for the current year, but prospects are definitely favorable. Last year the company showed a net profit available for preferred dividends of $489,896. While this was somewhat less than in 1935, the improvement in the company's earning power is more clearly indicated by the working capital which amounted to $4.2 millions at the end of 1936, which represents an increase of about $800,000 over that reported at the end of the previous year. The dividend on the preferred is being comfortably earned and there is no expectation of a change in dividend policy.

Gypsum Lime

As a subscriber of The Financial Post I would like to have your views on Gypsum, Lime and Alabastine. I hold some of the common stock.

Gypsum, Lime and Alabastine is dependent largely upon the building trades for its sales and earnings. While there has been some revival of activity, the gains have not been particularly pronounced. Meanwhile there are difficulties of management. An independent group of shareholders is soliciting proxies to bring about a return of the old management and it is difficult to say what the eventual outcome will show for shareholders.

Rolland Paper

Will you please let me have your views on Rolland Paper common stock, which I purchased at $25 a share?

Rolland Paper is one of the three principal fine paper manufacturers in Canada. It is a well-managed company and the record of sales and earnings throughout the depression years was a satisfactory one. Dividends on the preferred have been earned and paid throughout the company's history. Dividends were inaugurated on the common stock in August, 1936, at the rate of 25 cents a share quarterly. Net profits last year were equivalent to 88 cents a share on the common, as against 74 cents a share in 1935; in fact, they were the best since 1930. The earnings record of the company has been one of stability, particularly in the past few years, and it is reasonable to believe that the company will continue to operate at a profit in its field, particularly in view of the improvement which has taken place in the fine paper business.

Algoma Consolidated

Please outline the position of preferred and common shares of Algoma Consolidated Corp. Recently it was reported that the company was redeeming its 5% bonds, and any information you can give me in explanation of the situation would be much appreciated.

It is quite true that holders of the 5% income debenture stock and bonds of Algoma Consolidated Corp. have accepted a settlement of their claims. As outlined recently, however, by the president, E. Clarence Miller, the settlement leaves the company with an amount in cash equal to 20 cents per share for each preference share outstanding and also 8,889 shares of the Northern Ontario Lands Corp. The remaining assets of the company have been surrendered for the benefit of holders of the bonds and debenture stock.

The position of the holders of preferred and common stock in Algoma Consolidated Corp. is unfavorable. The future rests largely on the holding of shares in Northern Ontario Lands Corp. amounting to two-ninths of that firm's issued capital. Northern Ontario Lands is the owner of six townships in northern Ontario covering some 216 square miles, with mineral rights. In the past year, prospecting rights were granted on three of the townships to Hollinger Consolidated Gold Mines and on a fourth to N. A. Timmins Corp. The value of Algoma Consolidated shares, therefore, will depend largely upon mineral discoveries on the properties of Northern Ontario Lands.

Canada Steamships

Will you please let me have your views on the outlook for the new preferred stock of Canada Steamship Lines?

Under the recent plan of reorganization, Canada Steamship Lines' capital obligations were substantially reduced. On the basis of the depreciated earnings in recent years, it is estimated that the company will be able to carry the debt charges under the new set-up.

The long-hold prospects of the new preferred stock are somewhat indeterminate at this time. The grain business, which ordinarily provides the company with a large amount of revenue, has been inactive in the last two or three years. Prospects are not particularly encouraging for this year, though much will depend upon the outcome of the new crop. With a return to normal traffic and normal earning power, Canada Steamship Line should be able to earn the preferred dividend without difficulty. Just when that will be it is difficult to say.

Canada Vinegars

What is the prospect of increased earnings for Canada Vinegars Ltd.?

Canada Vinegars Ltd. common is a comparatively stable equity investment but prospects for any great increase in earnings are not too hopeful. Market for the company's products is rather limited although directors feel that it is in a position to obtain its full share of available business and meet competition. In the year ended Nov. 30, 1936, the company earned $1.23 a share compared with $1.22 a share in the preceding year. Dividend rate was decreased to $1.20 a share per year in March, 1936, from the previous rate of $1.60 a share which had been paid since 1928.

Loblaw Groceterias

Does there appear to be prospect for further expansion on the part of Loblaw Groceterias Co. or are operations likely to be on a more even level in the future?

Loblaw Groceterias Co. has probably passed the peak of its expansion period. Future growth is probable but it will be in the form of internal expansion through enlargement of individual store units. The company has enjoyed effective management which accounts for its leading position among chain store organizations. Earnings have been maintained well above the $1 annual dividend and the recent extra payment of 12½ cents a share indicates that further "extras" are possible from year to year.

Regent Knitting

Please let me have a report on current operations and earnings of Regent Knitting Mills.

According to a statement issued by the president, sales of Regent Knitting Mills for the four months ended April 30, 1937, were 15.5% higher than for the corresponding period of 1936, while activities at the branch showed expansion of 22.5%. It is also stated that net profits show a substantial increase and that directors are optimistic as to the results of operations for the year.

Last year Regent Knitting Mills showed earnings of 80 cents a share on the common and $4.86 on the preferred. In 1935, 65 cents was earned on the preferred. Dividends of $1.60 a share have been declared on the preferred for 1937, to be paid in quarterly installments.

Canada Steamship Lines Distributing New Securities

From Our Own Correspondent

MONTREAL.—Exchange of new securities for old securities of Canada Steamship Lines is now taking place.

The bonds are being handled through the Montreal Trust Co. and certain offices of The Royal Bank of Canada, while the preference and common shares will be exchanged through the Royal Trust Co.

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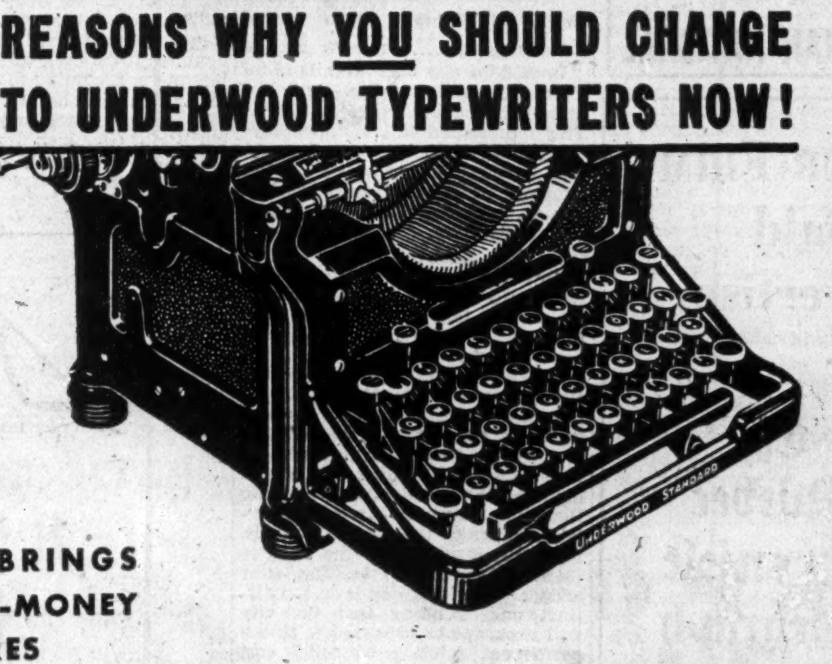

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Asbestos Corp. Stock Taken Up

Proceeds Will be Used to Retire Balance of Debt

From Our Own Correspondent

MONTREAL. — Shareholders of Asbestos Corp. have taken up all the recent offering of 17,288 additional shares of new stock at $75 a share, on the basis of one new for every eight held.

The rights were offered to shareholders of record May 15 and expired on June 15.

Proceeds of this stock offering, together with funds raised through the issuance of $1 million of new bonds, will be used to retire all of the outstanding funded debt, including 330,000 of first mortgage bonds and $2.3 millions of general mortgage bonds.

With the general mortgage bonds out of the way, the company will then be in a position to declare and pay a dividend on the common stock.

Fraser Cos. Exchange Stock

MONTREAL.—Montreal Curb Market has listed an additional 16,000 common shares of Fraser Companies Ltd. These shares were issued as consideration for 15,000 50% paid-up shares of Fraser Realties Ltd. purchased by the company.

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Dom. Woollens Earnings Rise

Net Available For Bond Interest Twice Requirements

Dominion Woollens & Worsteds Ltd. is understood to be making rapid progress in re-establishing its earnings and will probably be in a position to make regular interest payments when these become obligatory on Jan. 1, 1938.

Unofficial reports indicate that gross profits for the 10 months ended April 30, 1937, were approximately $269,000 compared with about $154,000 in the corresponding period of 1936. After deducting inventory reserves and reserve for bad debts and depreciation, net earnings available for bond interest were around $105,000 for the 10 months ended April 30, 1937. This is understood to compare with net earnings of about $11,000 for the corresponding period a year ago

Bond interest requirements for this period would be $52,925 so that net earnings of $105,000 would be equivalent to approximately twice interest requirements.

Payments Restricted

The company is not permitted to pay any interest on its 6% bonds if by such payment working capital would be reduced below $1 million up to June 30, 1937. After that date interest becomes an obligatory charge with the first payment on this basis due Jan. 1, 1938.

Current assets at April 30, 1937, were approximately $1.6 million and current liabilities about $850,000, leaving working capital at around $750,000. This compares with actual working capital of $578,141 at June 30, 1936.

Ottawa to Force Relief Showdown On Winnipeg Crisis

(Continued from page 1)

bonds issued in 1932 for hydro-electric purposes and the $1.1 million of 3% five-year bonds issued in 1936 for unemployment relief purposes.

Actual investments in the city of Winnipeg sinking fund at Dec. 31, 1936, were as follows:

City of Winnipeg Sinking Fund Investments
As at Dec. 31, 1936

	$
Dominion of Canada bonds	6,514,453
Manitoba bonds	1,473,777
Saskatchewan bonds	2,229,619
Alberta bonds	1,238,939
British Columbia bonds	811,207
New Brunswick bonds	39,250
Nova Scotia bonds	50,000
Winnipeg securities	12,107,730
Securities of other Candn. cities	999,959
Greater Winnipeg Water District	3,428,051
School districts	392,438
Rural municipalities	87,024
Sask. rural telephone cos.	54,709
Towns	51,549
Accrued interest	428,932
Cash	249,090
	*30,900,259

*Does not include $1,917,691 funds invested by the school district of Winnipeg.

Floating Debt

The city's floating debt as at Dec. 31, 1936, compared with the end of 1935, was as follows:

Floating Debt

	1936 $	1935 $
Bank overdrafts:		
Direct unemploy. relief	2,490,544	2,963,954
Capital expenditures .	631,727	404,414
Current account	1,071,082	904,514
	4,193,354	4,272,882
Treasury bills:		
Dominion direct relief loans	2,411,176	2,411,176
Dominion cap. works relief loans	1,335,250	575,000
	7,939,780	7,259,058
Sinking fund on hand	348,797	240,649
Net floating debt	7,590,983	7,018,409

In 1936 the city borrowed its relief expenditures from the Bank of Montreal, amounting to $1,604,040. This represented 40% of unemployment relief expenditures in the city. The balance was provided by the Province of Manitoba and the Dominion refunded 26 2/3% of the province's share.

Bank's Offer

Now the Bank of Montreal has written to the city finance committee stating that it would not continue to carry the city on the present basis after July 1.

In a second letter replying to the city's request for further consideration, the bank stated that if, as suggested by the Dominon Government in April, the Provincial Government would assume 80% of the relief disbursements instead of 60% and the Dominion Government would undertake to furnish the necessary funds, the bank would carry the balance ($4,065,000) until Dec. 31. The letter added: "The foregoing is on the distinct understanding that the city will endeavor as promised to find a permanent solution of relief cost contribution before the end of the year and relieve the bank of the burden."

So far the province has refused to increase its contribution while the Dominion is prevented by statute from loaning money directly to the city.

Limit for Real Estate Taxes

Alderman E. D. Honeyman, chairman of the city finance committee, states that 75.5% of the city's revenue in 1936 was raised from real estate taxation. Real estate taxes are as high now as they can be raised without reducing the amount collected and 34% of the city's area has reverted to the city through tax sale proceedings. Real estate assessments have had to be reduced and it is stated that revenues from this source in 1937 are $1.5 million less than in 1932.

Winnipeg has not been able to carry out a public financing since 1932 and has been forced to resort to bank borrowings. Already the sinking fund trustees have bought $2.9 millions of debentures for unemployment relief and it is considered doubtful if they can be persuaded to buy more, according to Ald. Honeyman. The city has already issued $2.4 millions of treasury bills as security for Dominon loans, but the Dominon has refused to loan any more money on this security.

An exhausted bank account is also reported by the Winnipeg school board. Pressure from the Canadian Bank of Commerce regarding the school board's overdraft of $2 millions is said to have forced the board to request the city council to pay over the board's portion of the tax levy as collected in order to permit financing.. It is understood that funds were found to pay salaries due on June 15 but a larger amount must be found for June 30 salary payments.

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Toronto Stock Exchange officials elected this week are shown above. H. B. Housser, president for the past year, remains a member of the managing committee which has two new members, J. F. Stewart, of Stewart, McNair & Co., and J. M. Scott, Jr., of J. M. Scott, Jr., & Co.

Quebec Issue Well Received

$31 Millions Loan Is Oversubscribed by Dealers

From Our Own Correspondent

MONTREAL. — Excellent reception is reported for the issue of $31 millions of Province of Quebec bonds which are being offered through a syndicate of banks and investment dealers headed by W. C. Pitfield & Co., Montreal.

The issue which is on a "drawdown" basis is divided into three allotments: $10 millions of 2% bonds, due Aug. 1, 1941; $10 millions of 2% bonds due Aug. 1, 1942; and $11 millions 3¼% bonds, due July 1, 1949. The two issues of short term bonds have been offered privately and have been taken largely by the banks and institutional investors.

The 3¼% bonds due July 1, 1949, are offered publicly at 98.75 to yield 3.375%. The net price received by the Government for the portion of this allotment drawn down is 97.58, the commission to the syndicate being $1.17 per $100 of bonds sold.

Saguenay Power Reports Earnings

Revenue Account for Year Ended April 30 Filed With SEC

From Our Own Correspondent

MONTREAL.—In compliance with the SEC requirements, Saguenay Power Co. has issued a general and consolidated income account for the 12 months ended April 30, 1937. During this period consolidated operating revenue totalled over $4.7 millions, and net income available for preferred dividends $1.2 million. Comparative figures for the preceding year are not available.

The general and consolidated income account follows:

Income and Surplus Account
Year Ended April 30, 1937

	Saguenay Power Co.	Saguenay Power & subsids.
Operating revenue ...	$4,426,622	$4,767,941
Less: Oper. expenses..	488,509	540,700
Taxes	170,183	187,115
Depreciation	594,919	680,181
Net oper. revenue	3,173,001	3,359,945
Add: Misc. income ...	77,659	37,468
Gross income	3,250,670	3,397,413
Less: Bond interest ...	1,791,690	1,791,690
Other interest	50,375	48,920
Amortization exp. ..	67,323	67,323
Income tax	260,418	286,399
Net profit	1,080,864	1,203,081

Foundation Co. Earns 58 Cents a Share

A substantial increase is seen in earnings for Foundation Co. of Canada for the year ended April 30, 1937. Net profits were equal to 58 cents a share on the common stock compared with a deficit of $2,017 in the preceding year. Mortgage payable has been reduced to $80,000 from the $117,500 shown at the end of the previous year.

Consolidated Income & Surplus Account
Years Ended April 30

	1937 $	1936 $
Oper. profit*	141,756	70,641
Sundry rev.	23,370	25,012
Total income	165,126	95,653
Less: Depreciation ...	96,967	89,582
Mortgage int.	5,219	3,847
Directors' fees	4,419	4,240
Tax prov.	9,500	......
Net profit	48,999	†2,016
Add: Prev. balance ..	885,391	887,408
Surplus forward	934,390	885,391

*After deduction of executive salaries and legal fees of $68,627 in 1937 and $62,757 in 1936. †Deficit.

Working Capital

	1937 $	1936 $
Current assets	886,910	976,226
Current liabilities	243,214	231,799
Working capital	643,696	744,427

WEEK-END GIFTS
Your Hostess Will Appreciate
Gifts Smartly Wrapped .... Phone Orders Promptly Attended to

How To
Win Your
HOSTESS

—and influence her to invite you back is a simple matter. Call into SIMPSON'S new shop *"Gifts in the Modern Manner"* on the street floor—you'll find a hundred-and-one suggestions.

Shining crystal, Kensington ware, modern clocks, continental and English pottery, pewter and lamps are a few of the many "sure-fire" ideas. While in the centre of the shop is the "Canape Bar" with a vast variety of world-famous appetizers and dainties for bridge, supper or cocktail parties.

"GIFTS IN THE MODERN MANNER"

Simpson's
Street Floor

Distinctive,
as Gifts,
are
Michie's Baskets of
Fruit and Delicacies
from $2.50
and
Superfine English
Chocolates by Terry
from $1.50 box.
Michie & Co. Ltd.
for 102 years at
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Toronto.

A Smart Gift for Your Hostess
Direct from Scotland!
Dobie's
FOUR SQUARE
VIRGINIA CIGARETTES

Pure Virginia — Delightfully mild. Exactly as sold in Great Britain. Packed in 10's, 20's and 50's. $2.50 per 100.

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Limited
Established 1878
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5 Conveniently Located Downtown Shops
Cor. King & Yonge Sts.
46 Adelaide St. W. 103 King St. E.
62 Yonge St. 285 Bay St.

She'll Like ...

Three suggestions for your hostess:—

1. The new "Say When" liquor dispenser—when top is pressed down it measures out nearly two ounces. $6.50.
2. Smart glasses are now available with your hostess's name in coloured enamels. Highball glasses, $20 a dozen.
3. Modern tray in the much-liked Kensington ware. $4.25.

Yonge at Temperance
BIRKS-ELLIS-RYRIE
Toronto

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(REGISTERED)
SUMMER
HOSTESSES

Will welcome the gift that comes in a Fairweather box. Such fun to choose, too, in Fairweathers special accessories corner right at the Yonge Street door. Fine cosmetics—Mary Dunhill's lipstick or compact or her famous Gardenia perfume; exclusive English handbags; smart boutonnieres; handkies or scarfs. All at prices to suit the occasion—from 50c to $5.

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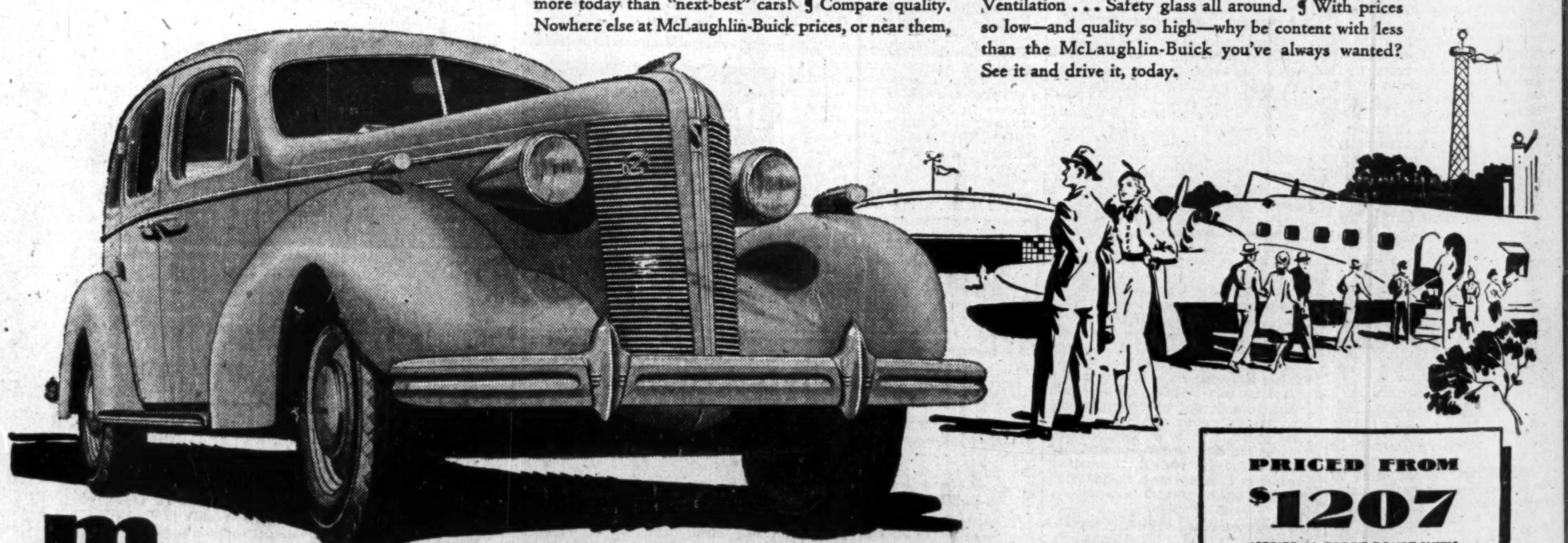

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